



# Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street  
Chicago, IL 60611

## Legislation Text

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**File #:** 16-0796, **Version:** 1

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### **TRANSMITTAL LETTER FOR BOARD MEETING OF AUGUST 4, 2016**

#### COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Issue a purchase order and enter into an agreement with Clark Hill, PLC to represent the District's interest in the ComEd Rate Design and Energy Efficiency Self-Direct Program proceedings before the Illinois Commerce Commission (ICC) as a member of the REACT Coalition, in an amount not to exceed \$75,000.00, Account 101-66000-612430, Requisition 1423791

Dear Sir:

On April 7, 2016, the Board of Commissioners authorized the Director of Procurement and Materials Management to issue a purchase order and enter into an agreement with Quarles and Brady LLP, to represent the District in two proceedings before the ICC in 2016. One proceeding is the Rate Design case in which ComEd is asking the Illinois Commerce Commission (ICC) to set new rates beginning in the year 2017. The other proceeding is the Energy Efficiency Self-Direct Program in which ComEd asks the ICC to set its administrative costs for administering ComEd's energy efficiency program. During these proceedings, the REACT Coalition (Request Equitable Allocation of Costs Together) will advocate for the interests of large ComEd customers, including the District. It is anticipated that ComEd will initiate both proceedings prior to the end of 2016, and they will continue into the year 2017.

As of May 1, 2016, long-time legal counsel for REACT, Christopher Townsend and Christopher Skey, left Quarles and Brady LLP, and joined the law firm of Clark Hill, PLC, while continuing their legal representation of REACT. As a result of counsel moving law firms shortly after the Board authorized the purchase order on April 7, 2016, no purchase order was issued, no Legal Services Agreement was executed, and no legal work was performed by the law firm of Quarles & Brady LLP. Hereinafter, the funds that were previously authorized will be used to pay the District's share of legal fees generated by the law firm of Clark Hill, PLC, once the District executes a Legal Services Agreement with Clark Hill, PLC. The rates of \$595.00 per hour for Christopher Townsend and \$495.00 per hour for Christopher Skey remain the same as the rates that Quarles and Brady LLP charged.

It is recommended that the District continue as a member of REACT to have a voice in opposing any rate increase by ComEd and advocating for change to ComEd's energy efficiency program by funding Clark Hill, PLC, to represent the interests of the District and similarly situated users in the two upcoming proceedings before the ICC.

The REACT coalition was formed by some members of NEU (Northern Illinois Energy Users), an ad hoc association of some of the largest industrial, commercial and institutional energy users in the Chicago area who will be adversely affected by the proposed increase. The District has been a member for the REACT coalition since 2008. REACT's effort thus far has delayed and reduced the rate increase and has resulted in approximately \$3.76M in total savings for the District.

It is hereby recommended that the Board of Commissioners authorize the Director of Procurement and

Materials Management to issue a purchase order and enter into an agreement with Clark Hill, PLC, in an amount not to exceed \$75,000.00 to represent the District's interests in the 2016 rate design and energy efficiency proceedings for the remainder of the year 2016 and into the year 2017. Funds for the year 2017 are contingent upon the Board's approval of the budget for that year.

Once the two proceedings are underway, the Maintenance and Operations Department will review and assess the need for additional funds to continue the District's participation as a member of REACT. If needed, we will request Board authorization for additional funds.

Funds are available in Account 101-66000-612430.

Requested, John Murray, Acting Director of Maintenance and Operations, SES:PD:JL

Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management

Respectfully Submitted, Barbara J. McGowan, Chairman Committee on Procurement

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for August 4, 2016