



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

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TRANSMITTAL LETTER FOR BOARD MEETING OF SEPTEMBER 6, 2018

COMMITTEE ON PROCUREMENT

Mr. John P. Murray, Acting Executive Director

Authorization to exercise an option to extend and amend agreement with Enerwise Global Technologies, Inc d/b/a CPower., for Contract 14-RFP-35 Energy Curtailment Services, for 2019-2021 (*Deferred from the August 2, 2018 Board Meeting*)

Dear Sir:

At the Board Meeting of April 9, 2015, the Board of Commissioners authorized the District to enter into an agreement with Enerwise Global Technologies, Inc. d/b/a CPower (formerly EnergyConnect, Inc., a Johnson Controls Company) , to provide energy curtailment services for the District for a three year period. In 2017, the Board authorized a one-year extension for the period from June 1, 2018 through May 31, 2019. Since 2015, Enerwise Global Technologies, Inc. d/b/a CPower registered the District to participate in an Emergency Capacity Demand Response program, and remitted payment for this directly to the District. The existing agreement gives the District the option to extend the agreement annually with proportional mutual benefits. This extension will allow curtailment services to be provided to the District until 2021, when it is expected that the District will handle all aspects of curtailment participation without the use of a provider. The current agreement is scheduled to terminate on May 31, 2019.

The contract was structured so that Global Technologies, Inc. d/b/a CPower would receive 9.9% of the curtailment value and the District would receive 90.1%. This was the highest return realized from the BAFOs. Over the last 4 years, the District has received nearly \$6 million. We estimate receiving \$3.65 million for the period June 1, 2019 through May 31, 2021.

The extension of the termination date is in compliance with the Illinois Criminal Code because it is germane to the original agreement as signed and is in the best interest of the District.

In view of the foregoing, it is requested that for the period from June 1, 2019, through May 31, 2021, the Board of Commissioners authorize the Director of Procurement and Materials Management to exercise an option to extend and amend agreement with Enerwise Global Technologies, Inc. d/b/a CPower.

Requested, Brett Garelli, Acting Director of Maintenance and Operations, BAP:SO'C:SES:PD

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 September 6, 2018