

**APPROVE ENTERING INTO AGREEMENT(S) WITH SUPPLIERS FOR ELECTRICITY
SUPPLY AND SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into agreements with one or more Illinois Alternative Retail Electricity Suppliers and/or suppliers of renewable energy certificates to provide electricity supply services to all of the Board's facilities and renewable energy certificates equivalent to a portion of the Board's usage. Suppliers will be selected on a competitive basis pursuant to a Request for Proposals issued pursuant to Board Rule 7-2. Written agreements with the supplier(s) will be negotiated. There will be an Electricity Supply and Services Agreement, and a Renewable Energy Certificates Purchase and Sale Agreement. No payment shall be made to any supplier prior to execution of a written agreement. The authority granted herein shall automatically rescind as to each supplier in the event a written agreement for such selected supplier is not executed within 120 days of the date of this Board Report. Information pertinent to the agreements and this authorization is stated below.

THE RFP: The Board will issue a Request for Proposals ("RFP") for Electricity Supply and Services and/or Renewable Energy Certificates ("REC") to the Board inviting the submission of proposals from Illinois Alternative Retail Electricity Suppliers certified by the Illinois Commerce Commission and suppliers of renewable energy certificates to provide electricity supply services and renewable energy ("Proposers" or "Suppliers") to all of the Board's facilities. The RFP will contain the form of each written agreement preferred by the Board to be entered into between the Board and the selected Proposer(s).

CURRENT AGREEMENT: The Board's current electricity supply arrangement (not including renewable energy) with Commonwealth Edison Company is scheduled to expire on the last regular billing date for every facility owned by the Board to and including July 31, 2010.

PROPOSALS: Each Proposer will be invited to submit proposals for a period of twenty-four (24) months or a period of thirty-six (36) months.

TERM: The initial term of the Electricity Supply and Services Agreement will commence, for each account, on its meter read date in July 2010 and shall be for a designated term of twenty-four (24) months or thirty-six (36) months, and may include options to renew or extend the Electricity Supply and Services Agreement. The initial term for the REC Purchase and Sale Agreement will commence on July 1, 2010 and shall be for a designated term of twenty-four (24) months or thirty-six (36) months, and may include options to renew or extend the REC Purchase and Sale Agreement. The term of each agreement and the number and period of any options will be determined by the Chief Financial Officer and the Chief Operating Officer dependent upon pricing and market conditions.

SCOPE OF SERVICES: The selected Proposer(s) will supply the Board's full requirements for electricity including, but not limited to, power, lighting, heating, ventilation, air conditioning, and miscellaneous purposes, to all of the Board's facilities, and renewable energy certificates equivalent to a portion of the Board's usage. Proposers may submit proposals to provide: i) traditional energy; ii) renewable energy; or iii) a combination of both traditional and renewable energy.

COMPENSATION: Suppliers shall be compensated at the rates set forth in the applicable agreement.

AUTHORIZATION: Subject to the written approval of the Chief Financial Officer, authorize the Chief Operating Officer to execute the agreements with Proposer(s) selected by the Evaluation Committee as described in the RFP. Authorize the General Counsel to include insurance and indemnification provisions and other relevant terms and conditions in the agreements. Authorize the General Counsel to execute all ancillary documents required to administer or effectuate the agreements.

**AFFIRMATIVE
ACTION:**

Exempt.

LSC REVIEW:

Local School Council review is not applicable to this matter.

FINANCIAL:

Charge to Operations: Not to exceed \$34 million FY11
Budget Classification: 11880-230-53105-254002

GENERAL CONDITIONS:

Inspector General - Each party to the Agreement(s) shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

Conflicts - The Agreement(s) shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of or the letting of contracts to, former Board members during the one year period following expiration or other termination of their terms of office.

Indebtedness - The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the Agreement(s).

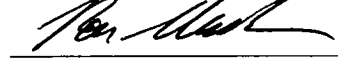
Ethics - The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the Agreement(s).

Contingent Liability - The Agreement(s) shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:


Patricia L. Taylor
Chief Facilities Officer

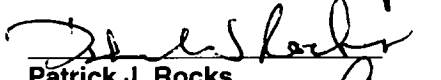
Approved:


Ron Huberman
Chief Executive Officer

Within Appropriation:


Christina Herzog
Acting Chief Financial Officer

Approved as to legal form.


Patrick J. Rocks
General Counsel