

VENDOR CONTRACT

Between L5E, LLC d/b/a 5 and
(Company Name)

THE INTERLOCAL PURCHASING SYSTEM (TIPS) For QUALIFIED RETAIL ELECTRIC BROKER SERVICES #04052215

General Information

The vendor contract shall include the contract, the terms and conditions, special terms and conditions, any agreed upon amendments, as well as all of the sections of the solicitation and the awarded vendor's proposal. Once signed, if an awarded vendor's proposal varies or is unclear in any way from the TIPS contract, TIPS, at its sole discretion, will decide which provision will prevail. Other documents to be included are the awarded vendor's proposals, task orders, purchase orders and any adjustments which have been issued.

The following pages will constitute the contract between the successful vendor(s) and TIPS. Bidders shall state, in a separate writing, and include with their proposal response, any required exceptions or deviations from these terms, conditions, and specifications. If agreed to by TIPS, they will be incorporated into the final contract.

The Vendor Contract ("Contract") made and entered into by and between The Interlocal Purchasing System (hereinafter referred to as "TIPS" respectfully) a government cooperative purchasing program authorized by the Region VIII Education Service Center, having its principal place of business at 4845 US Hwy 271 North, Pittsburg, Texas 75686. This contract consists of the provisions set forth below, including provisions of all Attachments referenced herein. In the event of a conflict between the provisions set forth below and those contained in any Attachment, the provisions set forth shall control.

Definitions

PURCHASE ORDER is the TIPS member's approval providing the authority to proceed with the negotiated delivery order under the contract. Special terms and conditions as agreed to between the vendor and TIPS member will be added as addendums to the PO. Items such as certificate of insurance, bonding requirements, small or disadvantaged business goals are some of the addendums possible.

PREMIUM HOURS are defined as those hours not included in regular hours or recognized holidays. Premium hours are to be approved by the TIPS member for each delivery order and noted in the delivery order proposal as a line item during negotiations.

REGULAR HOURS are defined as those hours between the hours of 7 AM and 6 PM Monday thru Friday.

Terms and Conditions

Freight

All deliveries shall be freight prepaid, F.O.B. destination and shall be included in all pricing offered unless otherwise clearly stated in writing.

Warranty Conditions

All supplies equipment and services shall include manufacturer's minimum standard warranty unless otherwise agreed to in writing. Vendor shall be an authorized dealer, distributor or manufacturer for all products. All equipment proposed shall be new unless clearly stated in writing.

Customer Support

The Vendor shall provide timely and accurate customer support to TIPS members. Vendors shall respond to such requests within one (1) working day after receipt of the request. Vendor shall provide training regarding products and services supplied by the Vendor unless otherwise clearly stated in writing at the time of purchase. (Unless training is a line item sold or packaged and must be purchased with product.)

Contracts

All contracts and agreements between Vendors and TIPS Members shall strictly adhere to the statutes that are set forth in the Uniform Commercial Code as most recently revised.

Contracts for purchase will normally be put into effect by means of a purchase order(s) executed by authorized agents of the participating government entities.

Davis Bacon Act requirements will be met when Federal Funds are used for construction and/or repair of buildings.

Tax exempt status

A taxable item sold, leased, rented to, stored, used, or consumed by any of the following governmental entities is exempted from the taxes imposed by this chapter:(1) the United States; (2) an unincorporated instrumentality of the United States; (3) a corporation that is an agency or instrumentality of the United States and is wholly owned by the United States or by another corporation wholly owned by the United States;(4) the State of Texas; (5) a Texas county, city, special district, or other political subdivision; or (6) a state, or a governmental unit of a state that borders Texas, but only to the extent that the other state or governmental unit

exempts or does not impose a tax on similar sales of items to this state or a political subdivision of this state. Texas Tax Code § 151.309.

Assignments of contracts

No assignment of contract may be made without the prior written approval of TIPS. Payment can only be made to the awarded Vendor or vendor assigned dealer.

Disclosures

1. Vendor affirms that he/she has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to a public servant in connection with this contract.
2. Vendor shall attach, in writing, a complete description of any and all relationships that might be considered a conflict of interest in doing business with participants in the TIPS program.
3. The vendor affirms that, to the best of his/her knowledge, the offer has been arrived at independently, and is submitted without collusion with anyone to obtain information or gain any favoritism that would in any way limit competition or give an unfair advantage over other vendors in the award of this contract.

Renewal of Contracts

The QUALIFIED RETAIL ELECTRIC BROKER SERVICES contract is for one (1) year with an option for renewal for 2 consecutive years. Total term of contract can be up to 3 years if sales are reported through the contract and both parties agree.

Shipments

The Vendor shall ship ordered products within five (5) working days after the receipt of the order. If a product cannot be shipped within that time, the Vendor shall notify TIPS and the requesting entity as to why the product has not shipped and shall provide an estimated shipping date, if applicable. TIPS or the requesting entity may cancel the order if estimated shipping time is not acceptable.

Invoices

The Vendor or vendor assigned dealer shall submit invoices, to the TIPS participant. Each invoice shall include the TIPS participant's purchase order number. The shipment tracking number or pertinent information for verification of TIPS participant receipt shall be made available upon request. The Vendor or vendor assigned dealer shall not invoice for partial shipments unless agreed to in writing in advance by TIPS and the TIPS participant.

SEE CLARIFICATION
REV # 4

Payments

The TIPS participant will make payments directly to the Vendor or vendor assigned dealer at net 30 days after receiving invoice.

Pricing

The Vendor contracts to provide pricing to TIPS and its participating governmental entities that is the lowest pricing available to like cooperative purchasing customers and the pricing shall remain so throughout the duration of the contract.

The Vendor agrees to promptly lower the cost of any product purchased through TIPS following a reduction in the manufacturer or publisher's direct cost to the Vendor. Price increases will be honored. However, the Vendor shall honor previous prices for thirty (30) days after written notification to TIPS of an increase.

All pricing submitted to TIPS shall include the Two Percent (2%) participation fee to be remitted to TIPS by the Vendor. Vendor will not show adding the 2% to the invoice presented to customer.

SEE EXCEPTION
REV
3

Participation Fees

Vendor or vendor assigned dealer contracts to pay 2% of all sales to TIPS on a monthly scheduled report. TIPS will email a Monthly Submission Report to each vendor. The Vendor or vendor assigned dealer is responsible for keeping record of all sales that go through the TIPS contract. Report may be sent to TIPS electronically while check for 2% is mailed. Failure to pay 2% participation fee will result in termination of contract.

Indemnity

- 1. Indemnity for Personality Contracts.** Vendor agrees to indemnify and hold harmless and defend TIPS, TIPS member(s), officers and employees, from and against all claims and suits for damages, injuries to persons (including death), property damages, losses, and expenses including court costs and attorney's fees, arising out of, or resulting from, Vendor's performance of this contract, including all such causes of action based upon common, constitutional, or statutory law, or based in whole or in part, upon allegations of negligent or intentional acts on the part of the Vendor, its officers, employees, agents, subcontractors, licensees, invitees, ~~whether or not such claims are based in whole or in part upon the negligent acts or omissions of the TIPS, TIPS member(s), officers, employees, or agents.~~
- 2. Indemnity for Performance Contracts.** The Vendor agrees to indemnify and hold harmless and defend TIPS, TIPS member(s), officers and employees from and against all claims and suits for damages, injuries to persons (including death), property damages, losses, and expenses including court costs and attorney's fees, arising out of, or resulting from, Vendor's work under this contract, including all such causes of action based upon common, constitutional, or statutory law, or based in whole or in part, upon allegations

REV 1

of negligent or intentional acts on the part of the Vendor, its officers, employees, agents, subcontractors, licensees, or invitees. ~~Vendor further agrees to indemnify and hold harmless and defend TIPS, TIPS member(s), officers and employees, from and against all claims and suits for injuries (including death) to an officer, employee, agent, subcontractor, supplier or equipment lessee of the Vendor, arising out of, or resulting from, Vendor's work under this contract, whether or not such claims are based in whole or in part upon the negligent acts or omissions of the TIPS, TIPS member(s), officers, employees, or agents.~~

REV
2

Attorney's Fees--Texas Local Government Code § 271.159 is expressly referenced.

Pursuant to §271.159, TEXAS LOC. GOV'T CODE, in the event that any one of the Parties is required to obtain the services of an attorney to enforce this Agreement, the prevailing party, in addition to other remedies available, shall be entitled to recover reasonable attorney's fees and costs of court.

Multiple Vendor Awards

TIPS reserves the right to award multiple vendor contracts for categories when deemed in the best interest of the TIPS membership. Bidders scoring 80% or above will be considered for an award. Categories are established at the discretion of TIPS.

State of Texas Franchise Tax

By signature hereon, the bidder hereby certifies that he/she is not currently delinquent in the payment of any franchise taxes owed the State of Texas under Chapter 171, Tax Code.

Miscellaneous

The Vendor acknowledges and agrees that continued participation in TIPS is subject to TIPS sole discretion and that any Vendor may be removed from the participation in the Program at any time with or without cause. Nothing in the contract or in any other communication between TIPS and the Vendor may be construed as a guarantee that TIPS participants will submit any orders at any time. TIPS reserves the right to request additional proposals for items already on contract at any time.

Purchase Order Pricing/Product Deviation

If a deviation of pricing/product on a purchase order occurs, TIPS is to be notified within 24 hours of receipt of order.

Cancellation for non-performance or contract deficiency

TIPS may terminate any contract if TIPS Members have not used the contract, or if purchase volume is determined to be "low volume" in any 12-month period. TIPS reserves the right to cancel the whole or any part of this contract due to failure by awarded vendor to carry out any

obligation, term or condition of the contract. TIPS may issue a written deficiency notice to awarded vendor for acting or failing to act in any of the following:

- Providing material that does not meet the specifications of the contract;
- Providing work and/or material that was not awarded under the contract;
- Failing to adequately perform the services set forth in the scope of work and specifications;
- Failing to complete required work or furnish required materials within a reasonable amount of time;
- Failing to make progress in performance of the contract and/or giving TIPS reason to believe that awarded vendor will not or cannot perform the requirements of the contract; and/or
- Performing work or providing services under the contract prior to receiving a TIPS reviewed purchase order for such work.

Upon receipt of the written deficiency, awarded vendor shall have ten (10) days to provide a satisfactory response to TIPS. Failure to adequately address all issues of concern may result in contract cancellation. Upon cancellation under this paragraph, all goods, materials, work, documents, data and reports prepared by awarded vendor under this contract shall become the property of the TIPS Member on demand.

TIPS Member Purchasing Procedures

Purchase orders are issued by participating TIPS member to the awarded vendor indicating on the PO "Contract Number 04052215". Purchase Order is emailed to TIPS at tipspo@tips-usa.com.

- Awarded vendor delivers goods/services directly to the participating member.
- Awarded vendor invoices the participating TIPS member directly.
- Awarded vendor receives payment directly from the participating member.
- Awarded vendor reports sales monthly to TIPS (unless prior arrangements have been made with TIPS to report monthly).

Form of Contract

The form of contract for this solicitation shall be the Request for Proposal, the awarded proposal(s) and best and final offer(s), and properly issued and reviewed purchase orders referencing the requirements of the Request for Proposals. If a vendor submitting an offer requires TIPS and/or TIPS Member to sign an additional agreement, a copy of the proposed agreement must be included with the proposal.

Vendor contract documents: TIPS will review proposed vendor contract documents. Vendor's contract document shall not become part of TIPS's contract with vendor unless and until an authorized representative of TIPS reviews and approves it.

Licenses

Awarded vendor shall maintain in current status all federal, state and local licenses, bonds and permits required for the operation of the business conducted by awarded vendor. Awarded vendor shall remain fully informed of and in compliance with all ordinances and regulations pertaining to the lawful provision of services under the contract. TIPS reserves the right to stop work and/or cancel contract of any awarded vendor whose license(s) expire, lapse, are suspended or terminated.

Novation

If awarded vendor sells or transfers all assets or the entire portion of the assets used to perform this contract, a successor in interest must guarantee to perform all obligations under this contract. TIPS reserves the right to accept or reject any new party. A simple change of name agreement will not change the contractual obligations of awarded vendor.

Site Requirements (when applicable to service or job)

Cleanup: Awarded vendor shall clean up and remove all debris and rubbish resulting from their work as required or directed by TIPS Member. Upon completion of work, the premises shall be left in good repair and an orderly, neat, clean and unobstructed condition.

Preparation: Awarded vendor shall not begin a project for which TIPS Member has not prepared the site, unless awarded vendor does the preparation work at no cost, or until TIPS Member includes the cost of site preparation in a purchase order.

Site preparation includes, but is not limited to: moving furniture, installing wiring for networks or power, and similar pre-installation requirements.

Registered sex offender restrictions: For work to be performed at schools, awarded vendor agrees that no employee of a sub-contractor who has been adjudicated to be a registered sex offender will perform work at any time when students are or reasonably expected to be present. Awarded vendor agrees that a violation of this condition shall be considered a material breach and may result in the cancellation of the purchase order at the TIPS Member's discretion.

Awarded vendor must identify any additional costs associated with compliance of this term. If no costs are specified, compliance with this term will be provided at no additional charge.

Safety measures: Awarded vendor shall take all reasonable precautions for the safety of employees on the worksite, and shall erect and properly maintain all necessary safeguards for protection of workers and the public. Awarded vendor shall post warning signs against all hazards created by the operation and work in progress. Proper precautions shall be taken pursuant to state law and standard practices to protect workers, general public and existing structures from injury or damage.

Smoking

Persons working under contract shall adhere to local smoking policies. Smoking will only be permitted in posted areas or off premises.

Invoices

The awarded vendor shall submit invoices to the participating entity clearly stating “Per TIPS Contract”. The shipment tracking number or pertinent information for verification shall be made available upon request.

Marketing

Awarded vendor agrees to allow TIPS to use their name and logo within website, marketing materials and advertisement. Any use of TIPS name and logo or any form of publicity, inclusive of press release, regarding this contract by awarded vendor must have prior approval from TIPS.

Supplemental agreements

The entity participating in the TIPS contract and awarded vendor may enter into a separate supplemental agreement to further define the level of service requirements over and above the minimum defined in this contract i.e. invoice requirements, ordering requirements, specialized delivery, etc. Any supplemental agreement developed as a result of this contract is exclusively between the participating entity and awarded vendor. TIPS, its agents, TIPS members and employees shall not be made party to any claim for breach of such agreement.

Legal obligations

It is the responding vendor’s responsibility to be aware of and comply with all local, state and federal laws governing the sale of products/services identified in this RFP and any awarded contract thereof. Applicable laws and regulations must be followed even if not specifically identified herein.

Audit rights

Awarded Vendor shall, at their sole expense, maintain appropriate due diligence of all purchases made by TIPS Member that utilizes this Contract. TIPS and Region 8 ESC each reserve the right to audit the accounting for a period of three (3) years from the time such purchases are made. This audit right shall survive termination of this Agreement for a period of one (1) year from the effective date of termination. TIPS shall have authority to conduct random audits of Awarded Vendor’s pricing that is offered to TIPS Members. Notwithstanding the foregoing, in the event that TIPS is made aware of any pricing being offered to eligible entities that is materially inconsistent with the pricing under this agreement, TIPS shall have the ability to conduct the audit internally or may engage a third-party auditing firm. In the event of an audit, the requested materials shall be provided in the format and at the location designated by Region 8 ESC or TIPS.

Force Majeure

If by reason of Force Majeure, either party hereto shall be rendered unable wholly or in part to carry out its obligations under this Agreement then such party shall give notice and fully particulars of Force Majeure in writing to the other party within a reasonable time after

occurrence of the event or cause relied upon, and the obligation of the party giving such notice, so far as it is affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, except as hereinafter provided, but for no longer period, and such party shall endeavor to remove or overcome such inability with all reasonable dispatch.

Services

When applicable, performance bonds will be required on construction or labor required jobs over \$100,000 and payment bonds on jobs over \$25,000 or awarded vendor will meet the TIPS member's local and state purchasing requirements. Awarded vendors may need to provide additional capacity as jobs increase. Bonds will not require that a fee be paid to TIPS. The actual cost of the bond will be a pass through to the TIPS member and added to the purchase order.

Scope of Services

The specific scope of work for each job shall be determined in advance and in writing between TIPS Member and Awarded vendor. It is okay if the TIPS member provides a general scope, but the awarded vendor should provide a written scope of work to the TIPS member as part of the proposal. Once the scope of the job is agreed to, the TIPS member will issue a PO with the estimate referenced as an attachment along with bond and any other special provisions agreed to for the TIPS member. If special terms and conditions other than those covered within this solicitation and awarded contracts are required, they will be attached to the PO and shall take precedence over those in the base contract.

Project Delivery Order Procedures

The TIPS member having approved and signed an interlocal agreement, or other TIPS membership document, may make a request of the awarded vendor under this contract when the TIPS member has services that need to be undertaken. Notification may occur via phone, the web, email, fax, or in person.

Upon notification of a pending request, the awarded vendor shall make contact with the TIPS member as soon as possible, but must make contact with the TIPS member within two working days.

Scheduling of Projects

Scheduling of projects (if applicable) will be accomplished when the TIPS member issues a purchase order that will serve as "the notice to proceed". The period for the delivery order will include the mobilization, materials purchase, installation and delivery, design, weather, and site cleanup and inspection. No additional claims may be made for delays as a result of these items. When the tasks have been completed the awarded vendor shall notify the client and have the TIPS member inspect the work for acceptance under the scope and terms in the PO. The TIPS member will issue in writing any corrective actions that are required. Upon completion of these items, the TIPS member will issue a completion notice and final payment will be issued.

Support Requirements

If there is a dispute between the awarded vendor and TIPS member, TIPS or its representatives will assist in conflict resolution or third party (mandatory mediation), if requested by either party. TIPS, or its representatives, reserves the right to inspect any project and audit the awarded vendors TIPS project files, documentation and correspondence.

Special Terms and Conditions

It is the intent of TIPS to contract with a reliable, high performance vendor to supply products and services to government and educational agencies. It is the experience of TIPS that the following procedures provide TIPS, the Vendor, and the participating agency the necessary support to facilitate a mutually beneficial relationship. The specific procedures will be negotiated with the successful vendor.

- **Contracts:** All vendor purchase orders must be emailed to TIPS at tipspo@tips-usa.com. Should an agency send an order direct to vendor, it is the vendor's responsibility to forward the order to TIPS at the email above within 24 business hours and confirm its receipt with TIPS.
 - **Promotion of Contract:** It is agreed that Vendor will encourage all eligible entities to purchase from the TIPS Program. Encouraging entities to purchase directly from the Vendor and not through TIPS contract is not acceptable to the terms and conditions of this contract and will result in removal of Vendor from Program. Vendor is expected to use marketing funds for the marketing and promotion of this contract.
 - **Daily Order Confirmation:** All contract purchase orders will be approved daily by TIPS and sent to vendor. The vendor must confirm receipt of orders to the TIPS member (customer) within 24 business hours.
 - **Vendor custom website for TIPS:** If Vendor is hosting a custom TIPS website, then updated pricing must be posted by 1st of each month.
 - **Back Ordered Products:** If product is not expected to ship within 3 business days, customer is to be notified within 24 hours and appropriate action taken based on customer request.
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Check one of the following responses to the General Terms and Special Terms and Conditions:

We take no exceptions/deviations to the general and/or special terms and conditions.

(Note: If none are listed below, it is understood that no exceptions/deviations are taken.)

We take the following exceptions/deviations to the general and/or special terms and conditions. All exceptions/deviations must be clearly explained. Reference the corresponding general or special terms and conditions that you are taking exceptions/deviations to. The proposer must clearly state if you are adding additional terms and conditions to the general or special terms and conditions. Provide details on your exceptions/deviations below:



Exceptions to Contract Terms:

L5E, LLC respectfully requests the following exceptions and clarifications to the following aspects of the TIPS Contract for Qualified Retail Electric Broker Services:

- 1. Indemnity for Personality Contracts.** Vendor agrees to indemnify and hold harmless and defend TIPS, TIPS member(s), officers and employees, from and against all claims and suits for damages, injuries to persons (including death), property damages, losses, and expenses including court costs and attorney's fees, arising out of, or resulting from, Vendor's performance of this contract, including all such causes of action based upon common, constitutional, or statutory law, or based in whole or in part, upon allegations of negligent or intentional acts on the part of the Vendor, its officers, employees, agents, subcontractors, licensees and invitees. ~~whether or not such claims are based in whole or in part upon the negligent acts or omissions of the TIPS, TIPS member(s), officers, employees, or agents.~~
- 2. Indemnity for Performance Contracts.** The Vendor agrees to indemnify and hold harmless and defend TIPS, TIPS member(s), officers and employees from and against all claims and suits for damages, injuries to persons (including death), property damages, losses, and expenses including court costs and attorney's fees, arising out of, or resulting from, Vendor's work under this contract, including all such causes of action based upon common, constitutional, or statutory law, or based in whole or in part, upon allegations of negligent or intentional acts on the part of the Vendor, its officers, employees, agents, subcontractors, licensees, or invitees. ~~Vendor further agrees to indemnify and hold harmless and defend TIPS, TIPS member(s), officers and employees, from and against all claims and suits for injuries (including death) to an officer, employee, agent, subcontractor, supplier or equipment lessee of the Vendor, arising out of, or resulting from, Vendor's work under this contract. whether or not such claims are based in whole or in part upon the negligent acts or omissions of the TIPS, TIPS member(s), officers, employees, or agents.~~
- 3. Participation Fees Changes**

Participation Fees

Vendor or vendor assigned dealer contracts to pay a 2% ~~service charge on~~ **of all fees earned by Vendor for supply contracts executed by members with Vendor's assistance. The TIPS 2% service charge will be paid by Vendor sales to TIPS on a monthly basis as Vendor is paid by the member or by the member's supplier.** ~~scheduled report.~~ TIPS will email a Monthly Submission Report to each vendor. The Vendor or vendor assigned dealer is responsible for keeping record of all sales that go through the TIPS contract. Report may be sent to TIPS electronically while check for 2% is mailed. Failure to pay 2% participation fee will result in termination of contract.

4. Lowest Price Available Guarantee

The price paid by a TIPS member for electricity is a function of their location, load shape, regional market issues, weather and many other factors. While 5 can guarantee that our fee for services will be consistent for all TIPS members of a given load size, members may elect to receive optional services that could impact the fees charged by 5.

The Interlocal Purchasing System (TIPS Cooperative) Supplier Response

Bid Information		Contact Information		Ship to Information
Bid Creator	Mr. David Mabe National Coordinator	Address	Region VIII Education Service Center 4845 US Highway 271 North Pittsburg, TX 75686	Address
Email	david.mabe@tips-usa.com	Contact	Mrs. Kim Thompson Coordinator of Office Operations	Contact
Phone	+1 (903) 243-4759	Department		Department
Fax	+1 (866) 749-6674	Building		Building
Bid Number	04052215	Floor/Room		Floor/Room
Title	Qualified Retail Electric Broker Services	Telephone	+1 (866) 839-8477	Telephone
Bid Type	RFP	Fax	+1 (866) 929-4402	Fax
Issue Date	03/05/2015	Email	bids@tips-usa.com	Email
Close Date	4/17/2015 3:00:00 PM CT			
Need by Date				

Supplier Information

Company 5
 Address 4545 Fuller Drive
 Suite 412
 Irving, TX 75038

Contact
 Department
 Building
 Floor/Room

Telephone 1 (972) 445-9584
 Fax 1 (855) 329-3483
 Email

Submitted 4/9/2015 2:29:52 PM CT
 Total \$0.00

Signature Josh D. Coleman

Email josh.coleman@energyby5.com

Supplier Notes

Bid Notes

Bid Activities

Bid Messages

Please review the following and respond where necessary

#	Name	Note	Response
1	Yes - No	Disadvantaged/Minority/Women Business Enterprise - D/M/WBE (Required by some participating governmental entities) Vendor certifies that their firm is a D/M/WBE? Vendor must upload proof of certification to the "Response Attachments" D/M/WBE CERTIFICATES section.	No
2	Yes - No	Highly Underutilized Business - HUB (Required by some participating governmental entities) Vendor certifies that their firm is a HUB? Vendor must upload proof of certification to the "Response Attachments" HUB CERTIFICATES section.	No
3	Yes - No	Certification of Residency (Required by the State of Texas) Company submitting bid is a Texas resident bidder?	Yes
4	Company Residence (City)	Vendor's principal place of business is in the city of?	Irving
5	Company Residence (State)	Vendor's principal place of business is in the state of?	Texas
6	Felony Conviction Notice:	(Required by the State of Texas) My firm is, as outlined on PAGE 5 in the Instructions to Bidders document: (Questions 7 - 9)	(No Response Required)
7	Yes - No	A publicly held corporation; therefore, this reporting requirement is not applicable?	No
8	Yes - No	Is not owned or operated by anyone who has been convicted of a felony?	Yes
9	Yes - No	Is owned or operated by individual(s) who has/have been convicted of a felony? If answer is YES, a detailed explanation of the name(s) and conviction(s) must be uploaded to the "Response Attachments" FELONY CONVICTION section.	No
10	Pricing Information:	Pricing information section. (Questions 11 - 14)	(No Response Required)
11	Yes - No	In addition to the typical unit pricing furnished herein, the Vendor agrees to furnish all current and future products at prices that are proportionate to Dealer Pricing. If answer is NO, include a statement detailing how pricing for TIPS participants would be calculated in the PRICING document that is uploaded to the "Response Attachments" PRICING section.	Yes
12	Yes - No	Pricing submitted includes the 2% TIPS participation fee?	Yes
13	Yes - No	Vendor agrees to remit to TIPS the required 2% participation fee?	Yes
14	Yes - No	Additional discounts to TIPS members for bulk quantities or scope of work?	Yes
15	Start Time	Average start time after receipt of customer order is ____ working days?	3
16	Years Experience	Company years experience in this category?	3
17	Yes - No	The Vendor can provide services and/or products to all 50 US States?	No

18	States Served:	If answer is NO to question #17, please list which states can be served. (Example: AR, OK, TX)	L5E, LLC is authorized to provide energy brokerage services in all states with active deregulated electricity markets including Connecticut, Delaware, District of Columbia, Illinois, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island and Texas.
19	Company and/or Product Description:	This information will appear on the TIPS website in the company profile section, if awarded a TIPS contract. (Limit 750 characters.)	L5E, LLC d/b/a 5 is a leading provider of energy advisory services in Texas and in other states where electricity and/or natural gas can be procured competitively. 5's founders spent many years working on the side of suppliers and generators and understand in detail the way energy products and markets are structured. The company uses this experience, together with proprietary products and purchasing strategies, to insure that our clients fully benefit from all that the competitive markets have to offer. In addition to procurement and risk management services, 5 also helps our client address energy budgets, benchmarking, power factor correction, demand response and energy efficiency projects including all applicable rebates and incentives. We truly function as an outsourced energy manager, helping our clients navigate the complex decisions that revolve around how energy is procured and consumed.
20	Resellers:	Does the vendor have resellers that it will name under this contract? (If applicable, vendor should download the Reseller/Dealers spreadsheet from the Attachments section, fill out the form and submit the document in the "Response Attachments" RESELLERS section.	No
21	Primary Contact Name	Primary Contact Name	Josh D. Coleman
22	Primary Contact Title	Primary Contact Title	Partner and Chief Operating Officer
23	Primary Contact Email	Primary Contact Email	josh.coleman@energyby5.com
24	Primary Contact Phone	Primary Contact Phone - Format (xxx) xxx-xxxx	972-445-9584
25	Primary Contact Fax	Primary Contact Fax - Format (xxx) xxx-xxxx	855-329-3483
26	Primary Contact Mobile	Primary Contact Mobile- Format (xxx) xxx-xxxx	817-301-3017
27	Secondary Contact Name	Secondary Contact Name	Brian Hayduk
28	Secondary Contact Title	Secondary Contact Title	Partner and Chief Executive Officer
29	Secondary Contact Email	Secondary Contact Email	brian.hayduk@energyby5.com
30	Secondary Contact Phone	Secondary Contact Phone - Format (xxx) xxx-xxxx	972-445-9584
31	Secondary Contact Fax	Secondary Contact Fax - Format (xxx) xxx-xxxx	855-329-3483

32	Secondary Contact Mobile	Secondary Contact Mobile - Format (xxx) xxx-xxxx	917-923-9988
33	2% Contact Name	2% Contact Name	Josh Coleman
34	2% Contact Email	2% Contact Email	josh.coleman@energyby5.com
35	2% Contact Phone	2% Contact Phone - Format (xxx) xxx-xxxx	972-445-9584
36	Purchase Order Contact:	This person is responsible for receiving Purchase Orders from TIPS. (Questions 37 - 39)	(No Response Required)
37	Purchase Order Contact Name	Purchase Order Contact Name	Cady Thomas
38	Purchase Order Contact Email	Purchase Order Contact Email	cady.thomas@energyby5.com
39	Purchase Order Contact Phone	Purchase Order Contact Phone - Format (xxx) xxx-xxxx	972-445-9584
40	Company Website	Company Website	www.energyby5.com
41	Federal ID Number:	Federal ID Number also known as the Employer Identification Number.	45-4036119
42	Primary Address	Primary Address	4545 Fuller Drive, Suite 412
43	Primary Address City	Primary Address City	Irving
44	Primary Address State	Primary Address State	Texas
45	Primary Address Zip	Primary Address Zip	75038
46	Search Words:	Please list search words to be posted in the TIPS database about your company that TIPS website users might search. Words may be product names, manufacturers, or other words associated with the category of award. YOU MAY NOT LIST NON-CATEGORY ITEMS. (Limit 500 words) (Format: product, paper, construction, manufacturer name, etc.)	electricity, electric, energy, natural gas, gas, broker, power, power factor, ERCOT, PJM, NYISO, efficiency, demand response, benchmarking
47	Yes - No	Do you wish to be eligible to participate in a TIPS contract in which a TIPS member utilizes federal funds on contracts exceeding \$100,000? (Non-Construction) (If YES, vendor should download the Federal Funds Over \$100,000 Certification document from the Attachments section, fill out the form and submit the document in the "Response Attachments" FEDERAL FUNDS section.) (Vendor must also download the Suspension or Debarment Certificate document from the Attachments section, fill out the form and submit the document in the "Response Attachments" SUSPENSION OR DEBARMENT section.)	No

Line Items

Response Total: \$0.00



April 1, 2015

The Interlocal Purchasing System
Region VIII Educations Service Center
4845 US Hwy 271 North
Pittsburg, Texas 75686

Re: Qualified Retail Electric Broker Services

We are thrilled to submit the L5E, LLC d/b/a 5 (herein called "5") response to TIPS' request for proposal for Qualified Retail Electric Broker Services. 5 is an energy advisory service that was formed in late 2011 by executives with many years of experience in deregulated electricity and gas markets across North America. Our team's experience spans all aspects of the deregulated energy business from trading and wholesale transactions to load forecasting, pricing, operations, retail contracting and billing for commercial and residential end users.

Our experience on the Retail Electric Provider side of the business with firms such as TXU Energy, Constellation, Juice Energy and First Choice Power give us unique insight into all deregulated markets across North America. We currently serve over 1500 clients in these deregulated markets including over 50 clients in the government/public sector.

In addition to traditional brokerage and risk management services, 5 provides an extensive list of optional services that help our clients optimize how energy is procured and consumed. These services range from power factor correction to benchmarking and budgeting, energy efficiency projects, demand response, distributed generation, bill audits, power quality and arc flash studies.

Please find attached our response to the Request for Proposal. We looking forward to working hard for TIPS' members! If you have any questions, don't hesitate to contact me at 972-445-9584.

Very truly yours,

Brian Hayduk
Chief Executive Officer

L5E, LLC Proposal Qualified Retail Electric Broker Services



General TIPS Requirements:

1. Electricity broker must have an office and be a registered entity with the Secretary of State.

5 is a registered entity in the State of Texas in good standing with the Secretary of State. 5 is also registered and in good standing in other states where we work including Connecticut, Delaware, District of Columbia, Illinois, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania and Rhode Island.
2. The Electricity Broker must have at least 5 years experience in providing electricity to retail customers to the State(s) for which proposal is being submitted.

While 5 was formed in late 2011, the company's founders each have well over 5 years of experience in executive and leadership positions at companies that serve retail electric and gas customers including Constellation, Juice Energy, TXU and First Choice Power.
3. Must have agreements in place with over five Retail Electric Providers that provide electricity to retail customers in the State(s) in which proposal is being submitted and are in good standing with the Public Utility Commission of each state (if applicable).

5 has enabling agreements in place with well over 50 suppliers of electricity and natural gas nationwide. 5 is licensed and in good standing in all states with deregulated electricity and natural gas markets where such licenses are required.
4. In order to be able to respond in a timely manner to all electricity quote requests from TIPS members, broker company must have at least one full-time employee dedicated to the support of sales personnel and at least 10 active and trained sales brokers of electricity that reside in the State(s) which are being submitted in this proposal.

5 employs 23 energy advisors with 18 of those being located in Texas. In addition to the five partners that founded 5, we employ 8 full time analysts that are dedicated to supporting our clients and energy advisors.
5. Electricity broker must provide utility bill auditing services to TIPS members as part of the service requirements.

5 provides bill auditing directly and through the use of a leading third party provider of bill auditing services.
6. Electricity broker must be capable of providing energy consulting services to the members as part of the service requirements.

5 provides a wide variety of energy consulting services. See Appendix A.
7. Electricity broker must assist the members in providing an energy reduction plan in accordance with Senate Bill's or House Bill's required for each state being submitted.

5 assists our clients in developing and maintaining plans for improving energy efficiency using both in-house and third party expertise.
8. Electricity broker must assist the members in providing power factor correction an analysis as necessary.

5 identifies power factor correction penalties and helps our clients install the equipment necessary to eliminate the penalties. We have dozens of examples where we have advised clients on power factor correction.

L5E, LLC Proposal

Qualified Retail Electric Broker Services



9. Electricity broker must assist the members in analyzing any meter consolidation opportunities to reduce TDSP charges and increase energy efficiency.

5 is very familiar with the considerations involved in consolidating meters and/or other opportunities cities can take advantage of to reduce transmission and distribution charges.

10. Electricity broker must have brokered a volume of electricity that exceeds 100,000,000 kWh currently under contract.

5 has brokered in excess of 3,000,000,000 kWh across all clients.

11. If you, as a Broker currently have contracts with a municipality, please provide a copy of these contracts and the estimated savings you provided that municipality. If you have not served these types of customers, provide a sample proposal of savings that you propose to be used for TIPS members.

5 serves a large number of governmental clients. Most of our clients do not have a contract with 5 since our fees are typically paid by the supplier that successfully wins the client's business. We have issued letter agreements for a number of governmental and other clients that outline the services we'll provide. A sample of one such letter agreement for the City of McKinney is included as Appendix B. Since beginning our service to the City of McKinney, 5 has delivered in excess of \$200,000 in combined value/savings from our procurement and demand response services. We've also functioned as the City of McKinney's advisor on a variety of energy-related issues including distributed generation and regulated utility bill (CoServe Cooperative) bill audits.

Experience and Qualifications:

1. Describe the duration and extent of your experience providing quotes and broker services for electricity to retail customers in each state, your years in business, date of first signed contract and volume, and experience in providing these services.

5 has provided energy advisory and risk management services since early 2012. Our first contract was signed on 1/13/2012 for a volume of 575,000 kWh. In addition to our experience at 5, our founding partners have served thousands of commercial and governmental customer's needs regarding electricity and natural gas service in deregulated markets.

2. Provide a list of the Retail Electric Providers (REPS) that you represent from which you may or may not solicit quotes on behalf of TIPS members.

Appendix C includes the list of REPs that we would typically include in quote requests for municipal clients.

3. Please describe the process for which TIPS members obtain quotes for electricity services. For account additions, how flexible will the represented REP be to include additional accounts at the contract price? What penalties, increased cost will be imposed for deleting accounts from the contract?

Appendix D provides details on the process used by 5 to obtain quotes on behalf of our clients. Most REPs will include appropriate Add/Delete language to give government customers the flexibility they need to adjust meter counts over time. The premiums charged for this add/delete capability varies by REP and is typically a function of the anticipated volume in kWh that may be added and deleted over the term of the agreement. Small Add/Delete percentages such as +/- 5% are often negotiated by 5 for our clients at no cost to the client. Larger Add/Delete percentages usually come with a premium.

L5E, LLC Proposal

Qualified Retail Electric Broker Services



4. Indicative Pricing Provide an indicative price, which includes a low and high for electricity services at any given time depending on annual consumption of kWh.

Appendix E provides the requested pricing summary.

Other Requirements:

1. References – *Included as Appendix F*
2. Resellers/Dealers – *5 will not use resellers or dealers to deliver services to TIPS members*
3. Vendor Certifications – *No D/M/WBE or HUB certifications apply*

APPENDIX A

Services We Provide



Services ¹	Y – Included Service O – Optional Service	Improved Energy Information	Reduced Energy Cost	Reduced Utility Company Charges	Reduced Carbon Footprint
Load analytics	Y	✓	✓	✓	✓
Energy procurement and risk management	Y	✓	✓		✓
Customer Care, billing and contract disputes or questions	Y	✓			
Renewable energy credit procurement	Y	✓	✓		✓
Energy budgeting and reporting support	Y	✓			
Identification of energy efficiency rebates and incentives	Y	✓	✓	✓	✓
First bill audit	Y	✓	✓	✓	
Demand response and distributed generation assessment	Y	✓	✓	✓	✓
Energy benchmarking	Y	✓	✓	✓	✓
Power factor correction assessment	Y	✓		✓	
Street lighting service evaluation	O	✓	✓	✓	✓
Regulated rate and tariff analysis	O	✓	✓	✓	
New construction support	O	✓	✓		
Energy efficiency projects	O	✓	✓	✓	✓
Bill consolidation and payment services	O	✓	✓	✓	
Power quality and arc flash studies	O	✓			

1. Services shown as “Included Services” are provided to all clients at no extras cost. “Optional” services are available to all clients and cost is based upon the scope of work agreed upon.

APPENDIX B

Sample Letter Agreement and Savings Delivered



5 continues to support the City of McKinney regarding their energy needs. The following is a summary of the types of services 5 has delivered to the City of McKinney along with an estimate of the economic value that resulted from our work.

It is important to note that when describing “savings” associated with procurement activities, movements in the market price for electricity and the timing of prior contracting rounds can play a large role in the determination of “savings”. 5’s value is better expressed in terms of managing risk. We focus on helping our clients by delivering the best combination of supplier, product, contract terms and market timing to deliver the best risk-adjusted return.

The table below summarizes the key areas where 5 has assisted the City of McKinney since 2012. Where possible we provided an estimated financial benefit the City received as a result of our services.

Service Delivered	Comments	Approximate Annual Economic Benefit
Load analytics	Analyzed load shape as a part of procurement activities	
Procurement and Energy Risk Management	36 month agreement starting April 2014 (signed 10/2012)	\$157,000
Procurement and Energy Risk Management	32 month agreement starting April 2017 (signed 12/2014)	\$14,300
Demand Response	Renegotiated existing agreement and increased load enrolled	\$60,000
Power Factor Correction	Evaluated the City’s meters – no penalties being paid	
Electricity budget	Developed budgets for the City	
Energy efficiency assessment	Completed one day assessment. Evaluation of city owned lighting is pending.	



October 4, 2012

Mr. Jason Gray
City Manager
City of McKinney
222 N. Tennessee St.
McKinney, TX 75069

Re: DESCRIPTION OF ENERGY PROCUREMENT AND ON-GOING ENERGY MANAGEMENT SERVICES

Dear Mr. Gray:

We are thrilled to support the City of McKinney in your effort to procure and manage electricity costs. This letter describes the general nature and extent of the services that 5 will provide to the City. If you find the scope of services acceptable, please confirm your agreement to 5's retention by signing and returning one copy of this letter to us at your earliest convenience.

RESPONSIBILITIES OF 5

Procurement Process

- a) Act as an energy broker working on behalf of the City;
- b) Develop electricity product, timing and procurement strategy in concert with City based on market conditions and needs of the City;
- c) Consider a minimum of 15 different licensed electricity suppliers;
- d) Reduce list of suppliers to 6-8 for actual price request based on:
 - a. Price, product, customer service, back office operations, term, risk management and financial stability;
 - b. 5's supplier due diligence may include – phone interviews, in-person interviews with key functional areas, company visits, contract reviews, review of supplier's performance with existing 5 customers, review of financials. 5 will also consider prior market experience with each supplier.

- e) Procurement process will include multiple rounds of competitive pricing (several rounds of bidding conducted to-date by 5 on behalf of City). Pricing requests given to suppliers on behalf of the City will follow standard procurement protocols including:
 - a. Various term lengths requested and reviewed;
 - b. All suppliers presented with the same information and same price request;
 - c. Responses due at the same date and time;
 - d. Results presented directly to the City;
- f) The contracts offered by short listed suppliers (~ 2 suppliers) will be reviewed by 5 and proposed edits presented to the City of McKinney;
- g) Short-listed providers required to re-price for execution by the City.

On-going Energy Management

- a) A local dedicated account manager, Greg Ford, is assigned to the City;
- b) Electricity market monitoring and updates;
- c) 5 will act as principal point of contact between the City and selected supplier for all account changes such as adding or deleting accounts;
- d) 5 will be the initial point of contact for any supplier contract issues, however, 5 shall have no authority to bind the City;
- e) Electricity budget forecast and volumetric (kWh) forecast as desired by City;
- f) Review of initial invoices to ensure compliance with any new contract rate;
- g) The non-procurement services described in the letter to Kelvin Bryant on September 9, 2012, a copy of which is attached to this letter.

RESPONSIBILITIES OF THE CITY

- a) During the current procurement cycle, the City will use 5 as its broker to purchase electricity. To facilitate 5's role, the City will provide responses to 5's information requests on a timely basis that will allow 5 to develop the appropriate electricity buying strategy and conduct a request for pricing on the City's behalf. Such information may include items such as current contract end date and legal or financial information necessary for supplier credit checks;
- b) The City will be responsible for disclosure of significant information that might affect the procurement process or supplier contract execution;
- c) Many of the non-procurement services will require information provided by the City and/or access to City property (e.g., energy infrastructure assessment);

TIMING

- a) 5 can provide initial pricing results as early as Monday, October 8th.
- b) Subsequent pricing can be provided on demand, provided that the City requests such pricing not less than 24 hr. in advance;
- c) 5 can provide reviewed contracts of the short listed suppliers within 24hrs of receiving such draft contracts;
- d) Note that typically all supplier prices will only be valid for a short period of time after they have been submitted (typically up to 4PM the same day) and suppliers retain the right to withdraw all offers at any time prior to acceptance.
- e) Non-procurement services are available to the City so long as the City continues to use 5 to broker its electricity supply. Those service are available immediately regardless of the start date of any new electricity supply contract;

Again, we are pleased to have this opportunity to assist you and the City and look forward to working with you.

Very truly yours,



Brian Hayduk
President

Reviewed and accepted:



Mr. Jason Gray

APPENDIX C

List of Retail Electric Providers



The list below represents the retail electric providers that 5 typically considers when soliciting electricity price quotes on behalf of government clients. The list of bidders we use will vary based upon meter count, service needs and geographic location of the client.

TXU Energy	Reliant Energy
Direct Energy	GDF Suez
MP2 Energy	GLO (General Land Office)
Mid American Energy	Constellation
GEXA, NextEra	Green Mountain
Hudson – low ESID counts only	ConEd Solutions
WGES	AEP Energy

APPENDIX D

5's Procurement Process



- a) Develop Electricity product, timing and procurement strategy in concert with the TIPS Member based on market conditions and needs of the TIPS Member;
- b) Consider a minimum of 15 different licensed electricity suppliers;
- c) Reduce list of suppliers to 6-8 for actual price request based on:
 - Price, product, customer service, back office operations, term, risk management and financial stability;
 - 5's supplier due diligence may include – phone interviews, in-person interviews with key functional areas, company visits, contract reviews, review of supplier's performance with existing 5 customers, review of financials. 5 will also consider prior market experience with each supplier.
- d) Procurement process will include multiple rounds of competitive pricing. Pricing requests given to suppliers on behalf of the TIPS Member will follow standard procurement protocols including:
 - Various term lengths requested and reviewed;
 - All suppliers presented with the same information and same price request;
 - Responses due at the same date and time;
 - Results presented directly to the TIPS Member;
- e) The contracts offered by short listed suppliers (~ 2 suppliers) will be reviewed by 5 and proposed edits presented to the TIPS Member;
- f) 5 will re-price the short-listed suppliers as required to support the TIPS Member's execution of a supply agreement;
- g) 5 will monitor the electricity market and identify opportunities for the TIPS Member to manage forward market risk. As a part of the risk management service, 5 will provide periodic updates on the natural gas and electricity market and other issues that may impact the TIPS Member's cost of energy.

APPENDIX F

References



Organization	City	State	Contact Name	Contact Phone
City of Killeen	Killeen	Texas	Stu McLennan	254-501-7722
Texas City ISD	Texas City	Texas	Dr. Cynthia Lusignolo	409-916-0103
City of McKinney	McKinney	Texas	Kelvin Bryant	972-547-7512
Somervell County Water District	Glen Rose	Texas	Kevin Taylor	254-897-4141
Mt. Laurel Township Municipal Utilities	Mount Laurel	New Jersey	Dave Wiest	856-722-5900, ext 128

Provisions for purchase with federal funds for contracts exceeding \$100,000
These forms are for non-construction contracts

Many TIPS members (grantees and sub-grantees) purchase goods and services with federal funds. When a member engages a contract exceeding \$100,000 and paid with federal funds, provisions are triggered by various Code of Federal Regulations requirements. Primarily 34 CFR 80.36 from the Department of Education and 7 CFR 3015 & 3016 from the Department of Agriculture for School Lunch Program. There may be other Federal programs from time to time that are not enumerated above that may fund certain projects using outside vendors. These are not optional for the contracting entity and in order to spend the federal funds certain provision and certifications must be in place to ensure legal compliance.

If your company wishes to be eligible to participate in a TIPS contract in which a member utilizes federal funds on contracts exceeding \$100,000, you must complete the following forms can provide the certifications as required on the subsequent pages.

Do you wish to be eligible to participate in a TIPS contract in which a member utilizes federal funds on contracts exceeding \$100,000?

Check your response?

YES NO



Signature of Authorized Company Official

4/9/15

Date

Brian Hayduk

Printed Name of Authorized Company Official

L5E, LLC d/b/a 5

Company Name

Attach to this page a current W-9 form

Please complete the forms below

Legal Compliance

It is the proposing company's duty and responsibility to have knowledge of and be responsible for the compliance with all applicable laws, rules and regulations as they apply to this procurement process and any subsequent award. The vendor agrees to comply, in all relevant respects, with all Federal, State, and Local laws, rules and regulations related to the performance of services or supply of goods to TIPS or TIPS members?

Does vendor agree? YES BH Initial of Authorized Company Official

Non-Collusive Bidding Certificate

By submitting a proposal in response to a Request for Proposals or other procurement device containing this clause, you certify that you are authorized to certify to the following:

- 1) This bid or proposal has been independently arrived at without collusion with any other Bidder or with any Competitor;
- 2) This bid or proposal has not been knowingly disclosed and will not be knowingly disclosed, prior to the opening of bids, or proposals for this project, to any other Bidder, Competitor or potential competitor;
- 3) No attempt has been or will be made to induce any other person, partnership or corporation to submit or not to submit a bid or proposal;
- 4) The person signing this bid or proposal certifies that he has fully informed himself regarding the accuracy of the statements contained in this certification, and under the penalties being applicable to the Bidder as well as to the person signing in its behalf.

The vendor complied with #1 through 4 above? YES BH Initial of Authorized Company Official

SUSPENSION OR DEBARMENT CERTIFICATE

Non-Federal entities are prohibited from contracting with or making sub-awards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. Covered transactions include procurement for goods or services equal to or in excess of \$100,000.00. Contractors receiving individual awards for \$25,000.00 or more and all sub-recipients must certify that the organization and its principals are not suspended or debarred.

You certify that no suspension or disbarment is in place, which would preclude receiving a federally funded contract under the Federal OMB, A-102, common rules

The vendor has not been debarred? YES BH Initial of Authorized Company Official

Certification Regarding Lobbying

Applicable to Grants, Subgrants, Cooperative Agreements, and Contracts Exceeding \$100,000 in Federal Funds

Submission of this certification is a prerequisite for making or entering into this transaction and is imposed by section 1352, Title 31, U.S. Code. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Any person who fails to file the required certification shall be subject to a civil penalty of not less than

\$10,000 and not more than \$100,000 for each such failure.

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all covered subawards exceeding \$100,000 in Federal funds at all appropriate tiers and that all subrecipients shall certify and disclose accordingly.

L5E, LLC d/b/a 5

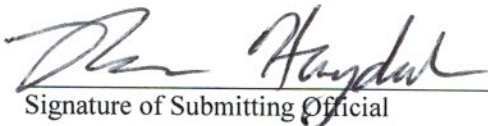
Name of Organization

4545 Fuller Drive, Suite 412, Irving, Texas 75038

Address of Organization

Brian Hayduk, Chief Executive Officer

Name / Title of Submitting Official



Signature of Submitting Official

4/9/15

Signature Date

Provisions for purchase with federal funds for contracts exceeding \$100,000

Federal Rule (1) Administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate. (Contracts more than the simplified acquisition threshold)

Notice: Pursuant to Federal Rule (1) above, when federal funds are expended by TIPS Member, TIPS Member reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

Does vendor agree? YES _____ Initial of Authorized Company Official

Federal Rule (2) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of \$10,000)

Pursuant to Federal Rule (2) above, when federal funds are expended by TIPS Member, TIPS Member reserves the right to terminate any agreement in excess of \$10,000 resulting from this procurement process for cause after giving the vendor an appropriate opportunity and up to 30 days to cure the causal breach of terms and conditions. TIPS Member reserves the right to terminate any agreement in excess of \$10,000 resulting from this procurement process for convenience with 30 days notice in writing to the awarded vendor. Any award under this procurement process is not exclusive and the District reserves the right to purchase goods and services from other vendors when it is in the best interest of the District.

Does vendor agree? YES _____ Initial of Authorized Company Official

Federal Rule (7) Notice of awarding agency requirements and regulations pertaining to reporting.

Pursuant to Federal Rule (7) above, when federal funds are expended by TIPS Member, TIPS Member requires that the proposer certify that during the term of an award by the TIPS Member resulting from this procurement process the vendor will provide reports and documentation required by all applicable law and state and federal regulations upon request by the TIPS Member or any relevant state or federal agency.

Does vendor agree? YES _____ Initial of Authorized Company Official

Federal Rule (8) Notice of awarding agency requirements and regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under such contract.

Provisions for purchase with federal funds for contracts exceeding \$100,000

Pursuant to Federal Rule (8) above, when federal funds are expended by TIPS Member, TIPS Member shall address any requirements and regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under such contract in the contract document and absent language to the contrary or if the contract silent on the subject, the District retains all rights thereto.

Does vendor agree? YES _____ Initial of Authorized Company Official

Federal Rule (9) Awarding agency requirements and regulations pertaining to copyrights and rights in data.

Pursuant to Federal Rule (9) above, when federal funds are expended by TIPS Member, TIPS Member requires the proposer certify that during the term of an award by the TIPS Member resulting for this procurement process the vendor will surrender upon request any copyrighted materials owned by the TIPS Member but used in the awarded contract performance unless otherwise agreed in a written document by the parties. TIPS Member reserves the rights to all data created or provided to the vendor for the purpose of contract performance resulting for this procurement process and the vendor will surrender such data upon request unless otherwise agreed in a written document by the parties. If the contract is silent or not dispositive on the subject matter data or copyrights TIPS Member retains all rights in the data developed or gathered during the contract term.

Does vendor agree? YES _____ Initial of Authorized Company Official

Federal Rule (10) Access by the grantee, the subgrantee, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.

Pursuant to Federal Rule (9) above, when federal funds are expended by TIPS Member, TIPS Member requires the proposer certify that during the term and after the awarded term of an award by the TIPS Member resulting for this procurement process the vendor will grant access by the grantee, the subgrantee, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.

Does vendor agree? YES _____ Initial of Authorized Company Official

Provisions for purchase with federal funds for contracts exceeding \$100,000

Federal Rule (11) Retention of all required records for three years after grantees or subgrantees make final payments and all other pending matters are closed.

Pursuant to Federal Rule (11) above, when federal funds are expended by TIPS Member, TIPS Member requires the proposer certify that the awarded vendor retain of all required records for three years after grantees or subgrantees make final payments and all other pending matters are closed.

Does vendor agree? YES _____ Initial of Authorized Company Official

Federal Rule (12) Compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (Contracts, subcontracts, and subgrants of amounts in excess of \$100,000)

Pursuant to Federal Rule (12) above, when federal funds are expended by TIPS Member, TIPS Member requires the proposer certify that in performance of the contracts, subcontracts, and subgrants of amounts in excess of \$100,000, the vendor will be in compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).

Does vendor agree? YES _____ Initial of Authorized Company Official

Federal Rule (13) Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

Pursuant to Federal Rule (13) above, when federal funds are expended by TIPS Member, TIPS Member requires proposer certify that during the term of an award by the TIPS Member resulting for this procurement process the vendor will be in compliance with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

Does vendor agree? YES _____ Initial of Authorized Company Official

SUSPENSION OR DEBARMENT CERTIFICATE

Non-Federal entities are prohibited from contracting with or making sub-awards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. Covered transactions include procurement for goods or services equal to or in excess of \$100,000.00. Contractors receiving individual awards for \$25,000.00 or more and all sub-recipients must certify that the organization and its principals are not suspended or debarred.

You certify that no suspension or disbarment is in place, which would preclude receiving a federally funded contract under the Federal OMB, A-102, common rules

Information may be found at <https://www.sam.gov/index.html>

Has the vendor been debarred form participation in Federal funds contracts?

NO BH Initial of Authorized Company Official

YES _____ Initial of Authorized Company Official

Company Official: Brian Hayduk

Company: L5E, LLC d/b/a 5

CONTRACT Signature Form

The undersigned hereby proposes and agrees to furnish goods and/or services in compliance with the terms, specifications and conditions at the prices quoted unless noted in writing. The undersigned further certifies that he or she is an authorized agent of the company and has authority to negotiate and contract for the company named below.

Company Name: L5E, LLC d/b/a 5

Mailing Address: 4545 Fuller Drive, Suite 412

City: Irving


State: Texas

Zip: 75038

Telephone Number: (972) 445-9584

Fax Number: (855) 329-3483


Email Address: brian.hayduk@energyby5.com

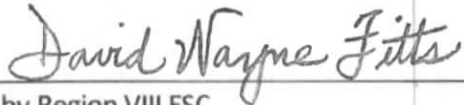
Authorized Signature: 

Printed Name: Brian Hayduk

Position: Chief Executive Officer

This contract is for a total TERM of one year with the option of two additional years. Vendors shall honor the participation fee for any sales made based on the TIPS contract. Failure to pay the fee will be grounds for termination of contract and will affect the award of future contracts.

 5-22-15
TIPS Authorized Signature Date

 5-22-15
Approved by Region VIII ESC Date

References

**** Must have at least 3 References. References must be School, City, County, University, State Agency or Other Government.**

Organization	City	State	Contact Name	Contact Phone
City of Killeen	Killeen	Texas	Stu McLennan	254-501-7722
Texas City ISD	Texas City	Texas	Dr. Cynthia Lusignolo	409-916-0103
City of McKinney	McKinney	Texas	Kelvin Bryant	972-547-7512
Somervell County Water District	Glen Rose	Texas	Kevin Taylor	254-897-4141
Mt. Laurel Township Municipal Utilities	Mount Laurel	New Jersey	Dave Wiest	856-722-5900, ext 128



Redefining the Future of Energy Management and Procurement



Electricity



Natural Gas



Green



Solutions

www.energyby5.com

About Us

5 is a unique energy advisory and brokerage firm created by senior executives from the deregulated energy sector. We are committed to helping businesses better manage costs. With extensive industry knowledge spanning every aspect of the energy industry and a passion for helping people, 5's goal is to challenge conventional norms and redefine what's possible.

Our proprietary approach to energy purchasing strategies and managing energy risk set us apart. Our people and our culture will change the way you think about the energy business. We are here to help you, the client, and we look forward to earning your trust while we navigate the world of deregulated energy as your partner.

Why The Name 5?

We get this question a lot! For organizations and individuals that have achieved great success, the number 5 often signifies "best in class," whether referring to culture, leadership, customer service, innovation, or the organization as a whole.

The name 5 is a constant reminder of our relentless pursuit to be better. "Have we done everything possible for our clients, suppliers, vendors and each other today?" We are committed to delivering level 5 in all that we do.

"By focusing on our mission and adhering to core values we are redefining the future of energy management and procurement."

Jeff Schiefelbein, Sales and Culture

Mission

To help people

Core Values

We take our core values very seriously — they form the foundation on which we perform our work and conduct ourselves.

In an ever-changing world, our **core values** are consistent.

- Communicate openly and honestly
- Embrace excellence
- Do the right thing
- Have fun

"Business success is just the result of making peoples' lives better. We started 5 because it's simply the best platform from which to help people."

Brian Hoyduk, CEO

3

Our Service Offerings

Electric & Natural Gas Procurement and Risk Management

- Procurement and risk management strategy
- Energy Pricing, structuring, and contracting

Market Advice and Analytical Support

- Dedicated Energy Advisor
- Electric and Natural Gas market updates
- Energy budgeting and benchmarking
- Bill audits and rate/tariff analysis
- Predominant use studies to support sales tax exemption

Infrastructure Improvements

- Demand Response programs
- On-site generation installations
- Energy efficiency improvements
- Power Factor correction

Sustainability

- Sustainable energy strategy
- Renewable energy procurement
- On-site solar

Industries We Serve Include

- Manufacturing
- Commercial Real Estate
- Financial Institutions
- Technology & Data Centers
- Faith-based Organizations
- Hospitality
- Food & Beverage
- Government
- Healthcare
- Education

BY PS&E

"The conversation around how energy is bought and consumed can be complex. At PS, everything we do is focused on optimizing our clients' energy decisions."

Josh Coleman, Operations & Energy Services

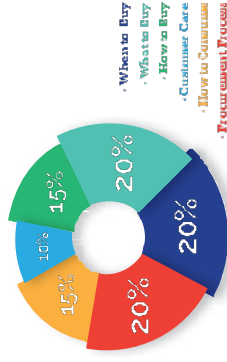
Why Choose PS?

The deregulated Electricity & Natural Gas markets are complicated. The selection of the right electric/natural gas supplier, product, price, term and contract is complex. PS's entire focus is to help clients navigate these complicated markets and decisions. The founders of PS have extensive backgrounds in energy that address the entire spectrum of how energy is procured and consumed. We utilize that experience to deliver Fortune 400 energy expertise to businesses and government entities of all sizes.

There are few, if any, of our competitors that can match the depth of our experience. In fact, most "energy brokers" rush to get a contract signed and then you never hear from them until your contract is up for renewal. PS's value proposition includes much more and delivers real value to our clients.

While many clients and their brokers focus on just picking the lowest rate on a given day (procurement process), the above chart demonstrates that additional strategies are necessary in order to maximize the value to the client.

Client Value

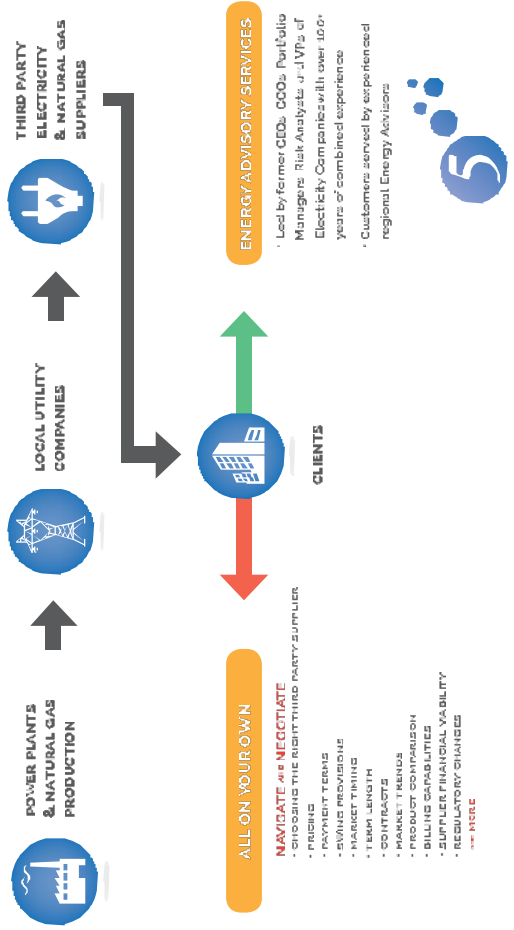


- When to Buy
- What to Buy
- How to Buy
- Customer Care
- How to Guarantee
- Procurement Process

"Our clients continue to choose us as their natural gas energy expert because we do all the heavy lifting, leaving them free to make more money by doing what they do best: running their business."

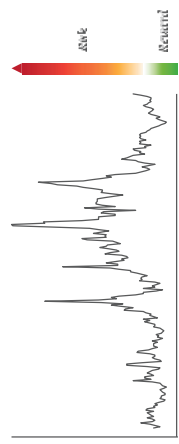
Eric Platcis, Commodity and Risk Management

Derogulation Road Map



Energy Markets Will Not Wait Until Your Current Contract Expires...and Neither Should You

- 1 Buying opportunities for both Natural Gas & Electricity may occur anytime during the year. The day you sign an energy contract is the same day you should start thinking about the next buying opportunity. Any client can sign a contract months or even years in advance of their current contract expiration without impacting the current contract. Waiting until your current contract ends leaves you with little to no buying choices.
- 2 Taking control of your energy costs allows your business to become more competitive
- 3 E's extensive industry knowledge demonstrates ongoing value to help clients reduce their exposure to volatile natural gas and electricity prices. Our proprietary purchasing strategies are custom tailored to each client's specific energy usage profile.
- 4 Let the energy professionals at E help you to be proactive in managing your energy costs. Contact your dedicated Energy Advisor at E to get started.



20 Yr. Historical Wholesale Power & Natural Gas Prices

"At E, we want to make consumers smarter about energy - because in this market, knowledge is power."

Jon Moore, Strategy & Legal

Industry Leading Management

📍 Brian Hayduk - CEO
Former President, First Choice Power and Juice Energy
Sr. VP, Constellation NewEnergy
Worked with over 70 of the Fortune 100
17 years in the deregulated market
Graduate of Lehigh University

📍 Josh Coleman - Operations & Energy Services
Former VP Operations, First Choice Power
Dir. Product development, TXU Energy
Energy Manager, Texas Instruments and Invensys
30 years in the energy industry
Graduate of Texas A&M

📍 Eric Plateis - Commodity & Risk Management
Former Board Member, NYMEX & Commodity Exchange
Trader, Constellation & Bank of Montreal
30 years in commodity trading and risk management
Graduate of Boston University

📞 855-275-3483

🌐 www.energyby5.com

📍 130 E. John Carpenter Fwy, Irving, TX 75062

📍 Jeff Schiefelbein - Sales & Culture
Former VP Commercial Sales, First Choice Power
Record growth through innovation
10 years in the deregulated market
Graduate of Texas A&M

📍 Jon Moore - Strategy & Legal
Former EVP, Beowulf Energy
COO, Constellation NewEnergy
CEO, Juice Energy
15 years in the deregulated market
Graduate of Yale Law and Princeton



Learn More about our Leadership Team at:
www.energyby5.com

Partner Experience



Brian Hayduk

Brian has been in the deregulated electricity market since it began in the late 1990s. Prior to launching 5, Brian served as President of First Choice Power (FCP) where he had responsibility for all company operations and led the business to record growth and profit. His background includes corporate strategy, business development, marketing, M&A, portfolio management and development of retail energy business units in deregulated markets throughout North America.

Prior to FCP, he served as co-founder and President of Juice Energy, a retail electric provider in multiple states, including Texas. He previously served as a Senior Vice President at Constellation NewEnergy where his responsibilities encompassed half of the company revenue (approx. \$2B) and he helped profitably grow its retail businesses throughout North America from 4,000 to 16,000 peak megawatts while serving a majority of the Fortune 100. Brian is on the board of the Children's Advocacy Center for Denton County and is a member of the Young Presidents' Organization (YPO). He encourages sustainable practices at 5 and he's the only 5 partner who can claim pizza making and fishing boat mate on his resume.

M.S. Environmental Science, SUNY College of Environmental Science and Forestry; B.A. Economics, Lehigh University

Jon Moore

Jon served as Executive Vice President at Beowulf Energy LLC before the creation of 5. Beowulf Energy is a private power and infrastructure company with expertise in the development, acquisition and long-term operation of power generation and infrastructure projects. Jon also recently served as a director of MX Holdings. In 2006, Jon co-founded Juice Energy, Inc., a green-focused energy retailer, where he served as CEO from 2006 until 2008. From 2002 until 2006, he was COO of Constellation NewEnergy ("NewEnergy"). Under Jon's leadership, NewEnergy grew into the nation's largest competitive supplier of electricity with over 16,000 peak megawatts.

From 1994 until 2002, Jon worked for The AES Corporation, where he was part of the senior management team that led AES's acquisition of NewEnergy Ventures, which was one of the first companies to offer electricity to commercial and industrial customers in deregulated markets. In 2002, Jon was part of the team that negotiated the sale of AES's retail electricity business to Constellation Energy Group. Jon worked as a transactional attorney with O'Melveny & Myers in Washington, D.C. from 1988 to 1994. Jon's also the only partner in 5 with two national championship rings.

JD from Yale Law School; Magna Cum Laude from Princeton University's Woodrow Wilson School

Eric Plateis

Eric has over 30 years of experience in commodity trading and risk management. Eric served as the Vice President of Portfolio Risk Management at First Choice Power where he was responsible for all of the supply and risk management activities as well as retail pricing and load forecasting activities. Eric's previous roles include Senior Supply Officer for Juice Energy, Vice President of fixed price Natural Gas Trading at Bank of Montreal and Vice President of Trading at Constellation where Eric was responsible for the West and ERCOT region structured portfolios. Eric has been interviewed on McNeil Lehrer Hour and presented to the Argentine Consulate on hedging and risk management. He's also held Board seats at the Commodity Exchange, Inc., NYMEX and was Vice Chair of the COMEX Governors Committee.

Eric started his career in the "Pits" on the floor of the New York commodities exchanges where he traded for his own personal account; an experience that may have taken years off his life but pays dividends for our customers every day.

B.A. Accounting, Boston University

Jeff Schiefelbein

Jeff Schiefelbein has worked in the deregulated energy business for the past 10 years and served as the Vice President of Sales at First Choice Power. Jeff has a proven track record of leadership and innovation through his extensive experience in sales, company start-up, technology development, personal coaching, and strategic management. He has also been recognized nationally for the creation and implementation of two highly successful nonprofit corporations.

While at First Choice Power, Jeff developed a unique multi-team approach to sales that led to 6 straight quarters of double-digit growth. Jeff also launched an industry-leading online pricing portal that increased scale while reducing overhead. He continues to impact thousands each year through his motivational speaking and guest lecturing activities. Jeff is the recipient of the national Daily Points of Light Award, the Texas Governor's Volunteer Service Award and has been featured on ABC's "Volunteers Across America". Also, ask him about his off-Broadway performance sometime.

B.B.A. Business Management, Texas A&M University

Josh Coleman

Josh has worked in the energy business for his entire 30-year career as both a commercial/industrial energy manager, as well as in various operations leadership roles with retail electric providers. Josh served as First Choice Power's Vice President of Operations during a period of unprecedented profitability and growth that was coupled with record levels of customer satisfaction. While at First Choice Power and TXU, Josh refined his expertise in all aspects of operations, customer care, billing, credit/collections and contracting in the deregulated energy market.

Prior to entering the retail electric business, Josh worked in a variety of energy management and facilities leadership roles at Invensys, Teccor Electronics and Texas Instruments. Josh is the Board Chair for Camp Summit, an organization that promotes personal growth and independence through outdoor experiences for people with disabilities. Josh also enjoys his status as the only member of the 5 leadership team that has been paid to swim with a pig.

B.S. Mechanical Engineering, Texas A&M University; Professional Engineer, State of Texas (inactive)





Brief Overview of Strategic Sourcing Qualifications

September 2014

5

4545 Fuller Dr, Suite 412
Irving, TX 75038

5 (the “Company” or “5”) is an energy management and advisory firm formed to give medium and large energy consumers access to the market tools and analytics that are generally only available to sophisticated energy marketing and trading organizations. The partners and our senior management team have many years of experience building and managing some of the country’s leading energy suppliers – including Constellation NewEnergy (which is now owned by Exelon). We have built and staffed a trading floor at our headquarters in Irving, Texas, and this team works directly with our clients. Since we opened our doors in early 2012, we have negotiated energy agreements with over 1,500 commercial, governmental and industrial customers, and we currently manage a large volume of electricity and natural gas purchases and an increasing number and variety of standard and complex on site generation transactions.

The Company’s diverse customer base reflects the success of this customer acquisition model. Larger customers include cities and towns, national accounts, Independent School Districts and medium and large manufacturers. The Company also works with a wide variety of smaller commercial and industrial clients. 5 is licensed in all deregulated energy markets and has energy advisors and support staff in multiple markets throughout North America.

Core services provided to our clients include:

- ❖ Electricity and Gas Product Design: In deregulated markets, large energy consumers now have considerable flexibility in how they structure their energy products. 5 deploys risk models that show the cost, benefit and risk of standard products (fixed price, variable price) and custom products (usually a combination of wholesale block purchases and variable price components). Complex products are often more cost effective for sophisticated energy consumers. When working with data center clients, 5 also uses its proprietary energy procurement and revenue generating strategies to manage floor space costs. 5 also supports procurement of fuel oil as needed to power backup generation.
- ❖ Contract Negotiation: Properly completing energy contracts can be a complex process. The contracts have a dozen or more separate sections, any of which may be negotiable for a large consumer. Moreover, each energy supplier can utilize different contract structures to deliver products at the consumer level. 5 provides commercial analysis of draft contracts and works with its clients and their counsel as necessary to insure that the final contract properly allocates risks between the supplier and the consumer.
- ❖ Execution: Electricity and gas markets are extremely volatile. Once a client has decided on an appropriate contract structure, proper execution is critical. 5’s energy team works closely with its client to insure that execution realizes the lowest possible price for the customer.
- ❖ Fulfillment: Once a contract has been negotiated and energy purchased from a supplier, 5 works with its client to make sure that all appropriate switching protocols with the utility and supplier are followed and that the billing parameters agreed to in the contract are incorporated into the final rate structure. 5 will continue to review bills and support the customer throughout the contract term.
- ❖ On Going Support: As with other complex financial commodities, energy markets are always changing. 5 monitors these markets after a deal has closed and communicates to the client when market conditions dictate changes to the client’s risk management approach. This is particularly important when optimizing the large quantity of backup generation located at data center sites. As the market continues to accelerate the integration of distributed generation

assets into the overall generation mix (see Quarterly Letter dated July 2014, a copy of which is attached), we expect continued opportunities associated with the significant amount of back up generation located at customer sites.

Our team sets the Company apart from all other retail brokers. The management team includes:

- ❖ Brian Hayduk, Partner and CEO. Brian has been in the deregulated electricity market since it began in the late 1990s. Prior to launching 5, Brian served as President of First Choice Power (FCP) where he had responsibility for all company operations and led the business to record growth and profit. His background includes corporate strategy, business development, marketing, M&A, portfolio management and development of retail energy business units in deregulated markets throughout North America. He previously served as a Senior Vice President at Constellation NewEnergy where his responsibilities encompassed half of the company revenue (approx. \$2B) and he helped profitably grow its retail businesses throughout North America from 4,000 to 16,000 peak megawatts while serving a majority of the Fortune 100. He has an M.S. Environmental Science, SUNY College of Environmental Science and Forestry; B.A. Economics, Lehigh University
- ❖ Jon Moore, Partner and General Counsel. Jon was one of the earliest executives to work in the competitive electricity and natural gas business. He co-led AES Corporation's 1999 purchase of NewEnergy Ventures, the first independent national supplier of electricity, and as that company's COO, helped transform the business into the industry leader, Constellation NewEnergy (CNE). He also led the development of Juice Energy, the first competitive supplier to focus on offering renewable power solutions to large commercial and industrial customers and served on the board of MX Energy, a public company that provided electricity and gas to residential and small commercial customers until its sale to Constellation in 2011. He has a JD from Yale Law School and an AB from Princeton University.
- ❖ Josh Coleman, Partner and COO. Josh has worked in the energy business for his entire 30-year career as both a commercial/industrial energy manager, as well as in various operations leadership roles with retail electric providers. Josh served as First Choice Power's Vice President of Operations during a period of unprecedented profitability and growth that was coupled with record levels of customer satisfaction. While at First Choice Power and TXU, Josh refined his expertise in all aspects of operations, customer care, billing, credit/collections and contracting in the deregulated energy market. Prior to entering the retail electric business, Josh worked in a variety of energy management and facilities leadership roles at Invensys, Teccor Electronics and Texas Instruments. B.S. Mechanical Engineering, Texas A&M University; Professional Engineer, State of Texas (inactive).
- ❖ Eric Plateis, Partner and Chief Risk Officer. Eric has over 30 years of experience in commodity trading and risk management. Eric served as the Vice President of Portfolio Risk Management at First Choice Power where he was responsible for all of the supply and risk management activities as well as retail pricing and load forecasting activities. Eric's previous roles include Senior Supply Officer for Juice Energy, Vice President of fixed price Natural Gas Trading at Bank of Montreal and Vice President of Trading at Constellation where Eric was responsible for the West and ERCOT region structured portfolios. Eric has been interviewed on McNeil Lehrer Hour and presented to the Argentine Consulate on hedging and risk management. He's also held

Board seats at the Commodity Exchange, Inc., NYMEX and was Vice Chair of the COMEX Governors Committee. B.A. Accounting, Boston University.

- ❖ Jeff Schiefelbein, Partner. Jeff has worked in the deregulated energy business for the past 10 years and served as the Vice President of Sales at First Choice Power. Jeff has a proven track record of leadership and innovation through his extensive experience in sales, company start-up, technology development, personal coaching, and strategic management. He has also been recognized nationally for the creation and implementation of two highly successful nonprofit corporations. While at First Choice Power, Jeff developed a unique multi-team approach to sales that led to 6 straight quarters of double-digit growth. Jeff also launched an industry-leading online pricing portal that increased scale while reducing overhead. He continues to impact thousands each year through his motivational speaking and guest lecturing activities. Jeff is the recipient of the national Daily Points of Light Award, the Texas Governor's Volunteer Service Award and has been featured on ABC's "Volunteers Across America". B.B.A. Business Management, Texas A&M University



5

City of Grand Prairie

March 18, 2015

Current Contract Status

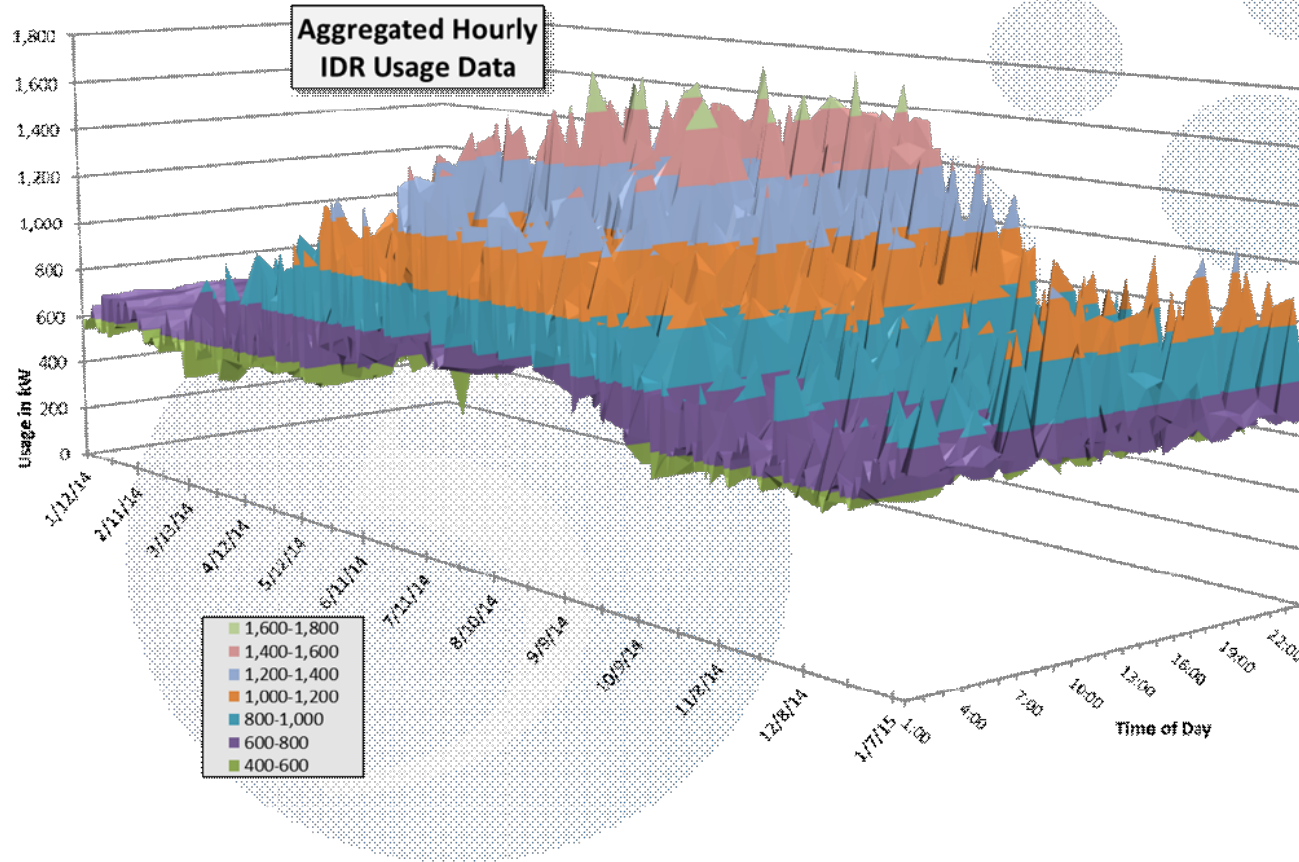


- ➡ Contract is with Gexa Energy through an aggregator (TCAP)
- ➡ Dates : 1/1/2014 – 12/31/2017
- ➡ Rate: \$.07445 / kWh
- ➡ # of Meters = 655
- ➡ Annual MWh's = 35,003
- ➡ Annual kWh's = 35,003,000



Usage Analytics

Buying Smart

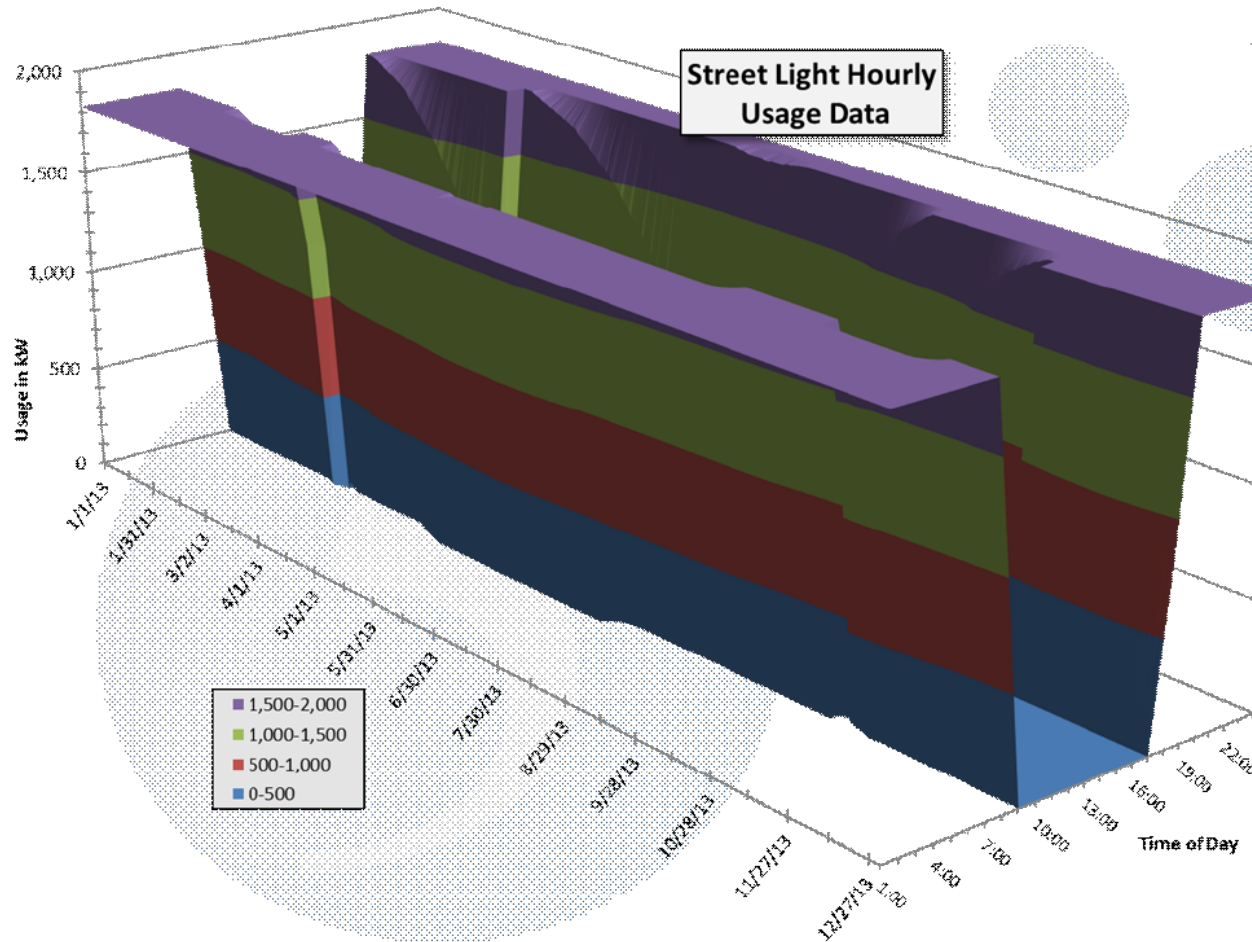


How we use this data:

- Product selection
- Efficiency opportunities
- Power factor correction
- Operational anomalies
- Peak demand reduction
- Demand response

Full analysis model available for review

Buying Smart – Street Lights



- Street lights owned by Oncor
- Street lights usage = 7,800 MWh
- Oncor street light cost is \$1.4M per year
- Total Oncor charges are \$2.5M per year
- Oncor charges \$0.18 per kWh for lights versus \$0.04 per kWh for all other loads



5's Services

Services ¹	Y – Included Service O – Optional Service	Improved Energy Information	Reduced Energy Cost	Reduced Utility Company Charges	Reduced Carbon Footprint
Load analytics	Y	✓	✓	✓	✓
Energy procurement and risk management	Y	✓	✓		✓
Customer Care, billing and contract disputes or questions	Y	✓			
Renewable energy credit procurement	Y	✓	✓		✓
Energy budgeting and reporting support	Y	✓			
Identification of energy efficiency rebates and incentives	Y	✓	✓	✓	✓
First bill audit	Y	✓	✓	✓	
Demand response and distributed generation assessment	Y	✓	✓	✓	✓
Energy benchmarking	Y	✓	✓	✓	✓
Power factor correction assessment	Y	✓		✓	
Street lighting service evaluation	O	✓	✓	✓	✓
Regulated rate and tariff analysis	O	✓	✓	✓	
New construction support	O	✓	✓		
Energy efficiency projects	O	✓	✓	✓	✓
Bill consolidation and payment services	O	✓	✓	✓	
Power quality and arc flash studies	O	✓			

1. Services shown as “Included Services” are provided to the City of Grand Prairie at no extras cost. “Optional” services are available and cost is based upon the scope of work agreed upon.

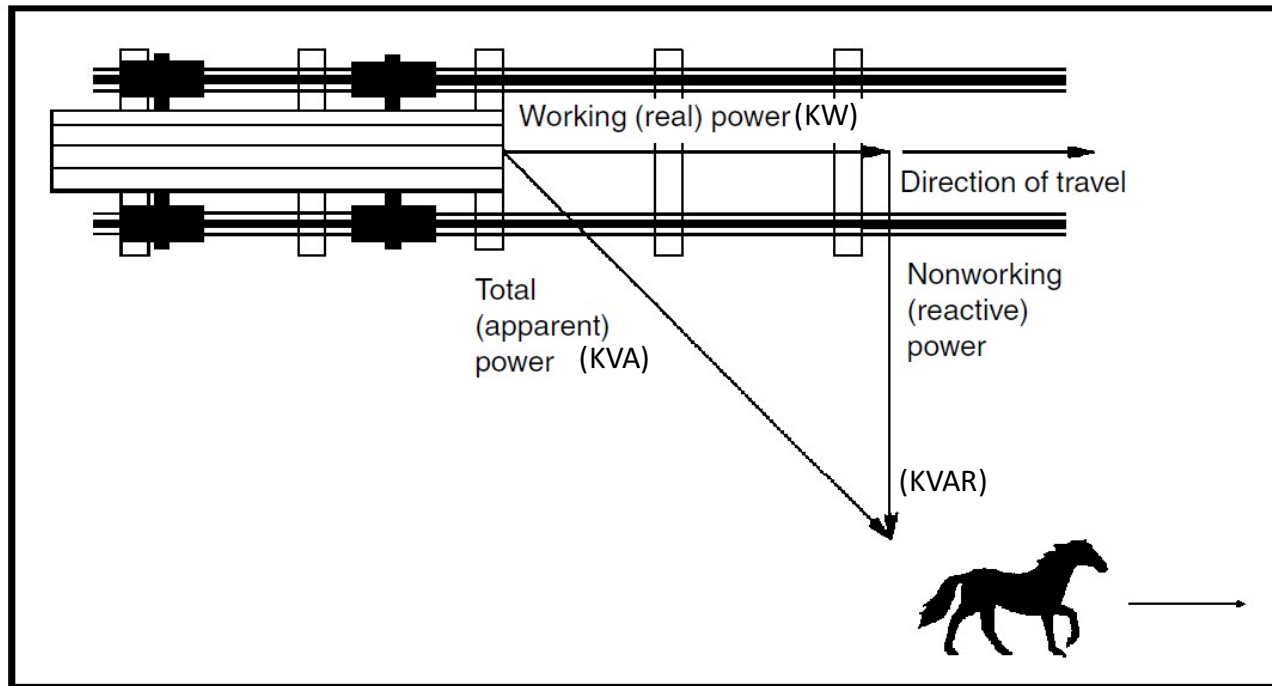


Power Factor Correction

What is Power Factor?



What is Power Factor?



➡ Power Factor (%) = KW / KVA

Why Should I Care?



- Most electric utilities (like Oncor) charge a “power factor penalty” for meters with power factors below some threshold level (typically 95%).
- The penalties are assessed in a variety of methods that are always defined in the utility’s tariff
- Oncor charges for poor power factor by simply increasing the customer’s billing demand as follows:
$$\text{Billed Demand (KW)} = \text{Metered Demand (KW)} * (0.95 / \text{pF})$$
- So, as the customer’s metered power factor (pF) falls below 95%, the metered demand (KW) is increased, causing higher transmission and distribution charges

What Did We Find?



- ➡ Power factor penalties are not broken out on customer invoices, making them hard to identify
- ➡ As a part of 5’s evaluation of the City of Grand Prairie’s usage history provided by Oncor, we can easily identify the amount of power factor penalty that is being included in Oncor’s distribution charges
- ➡ The City of Grand Prairie is paying about \$24K per year in power factor penalties (summary below)

ESI ID	Service Address 1	Values	
		Average of Power Factor	Sum of pF penalty
10443720002119612	319 N BELT LINE RD	80%	\$ 13,974.16
10443720002119736	1702 ROBINSON RD WELL 23	91%	\$ 2,606.53
10443720002119922	2650 SAFRAN DR WELL 24	93%	\$ 2,669.29
10443720008235410	1525 ARKANSAS LN DEPT POLIC	93%	\$ 1,513.92
10443720008257544	2975 ESPLANADE	87%	\$ 3,362.42
Grand Total		89%	\$ 24,126.32

How Can We Help?

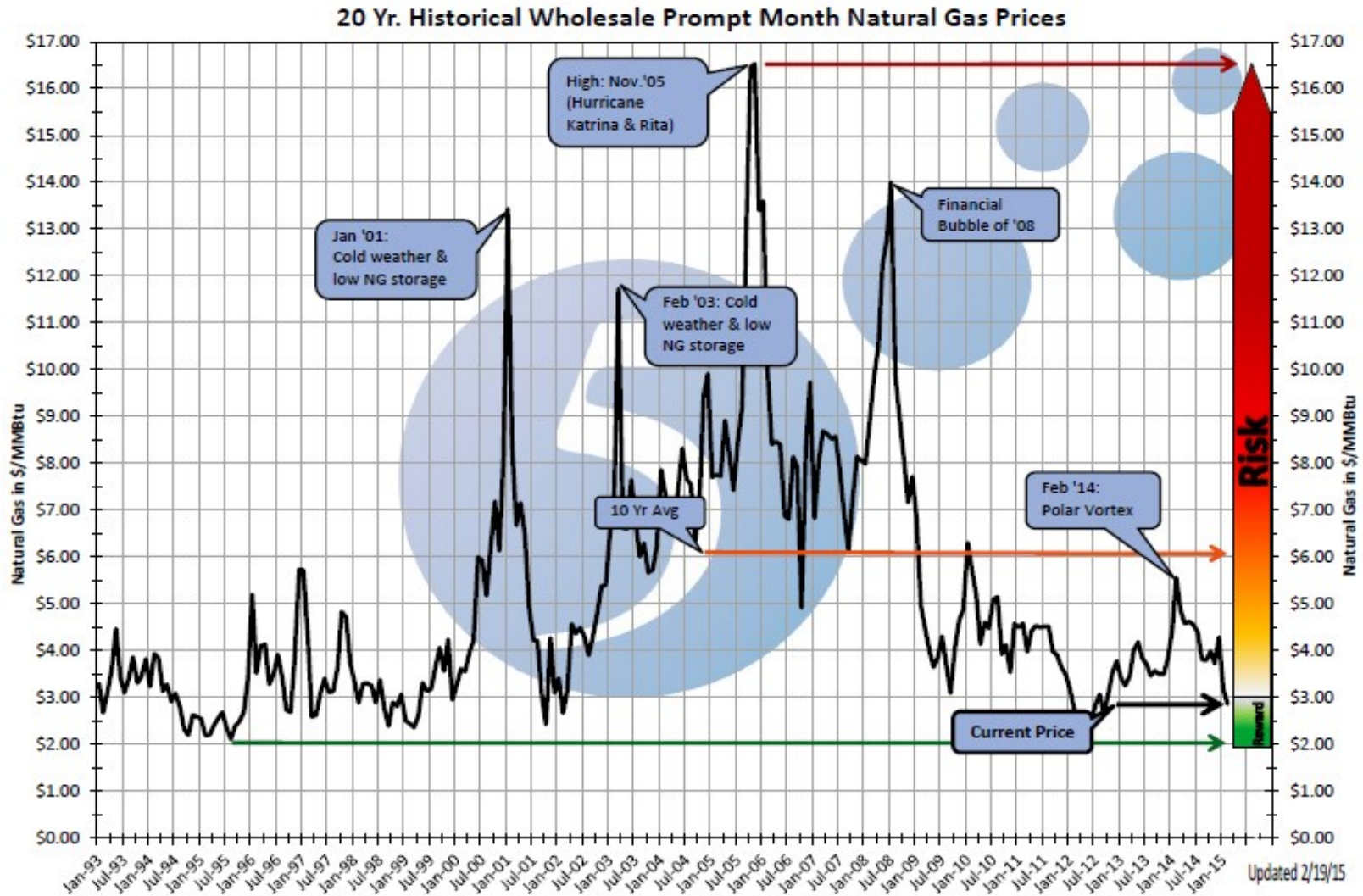


- ➡ One or more banks of capacitors are installed near the main switchboard at each meter being corrected
- ➡ Installation conditions vary, but 5 routinely sees simple project paybacks between 12 and 18 months
- ➡ As a part of our energy risk management service, 5 would be happy to assist the City of Grand Prairie with the design/installation of the capacitors necessary to eliminate the power factor penalties and reduce the City of Grand Prairie's delivery charges



Current Market Review

Monthly Market Conditions

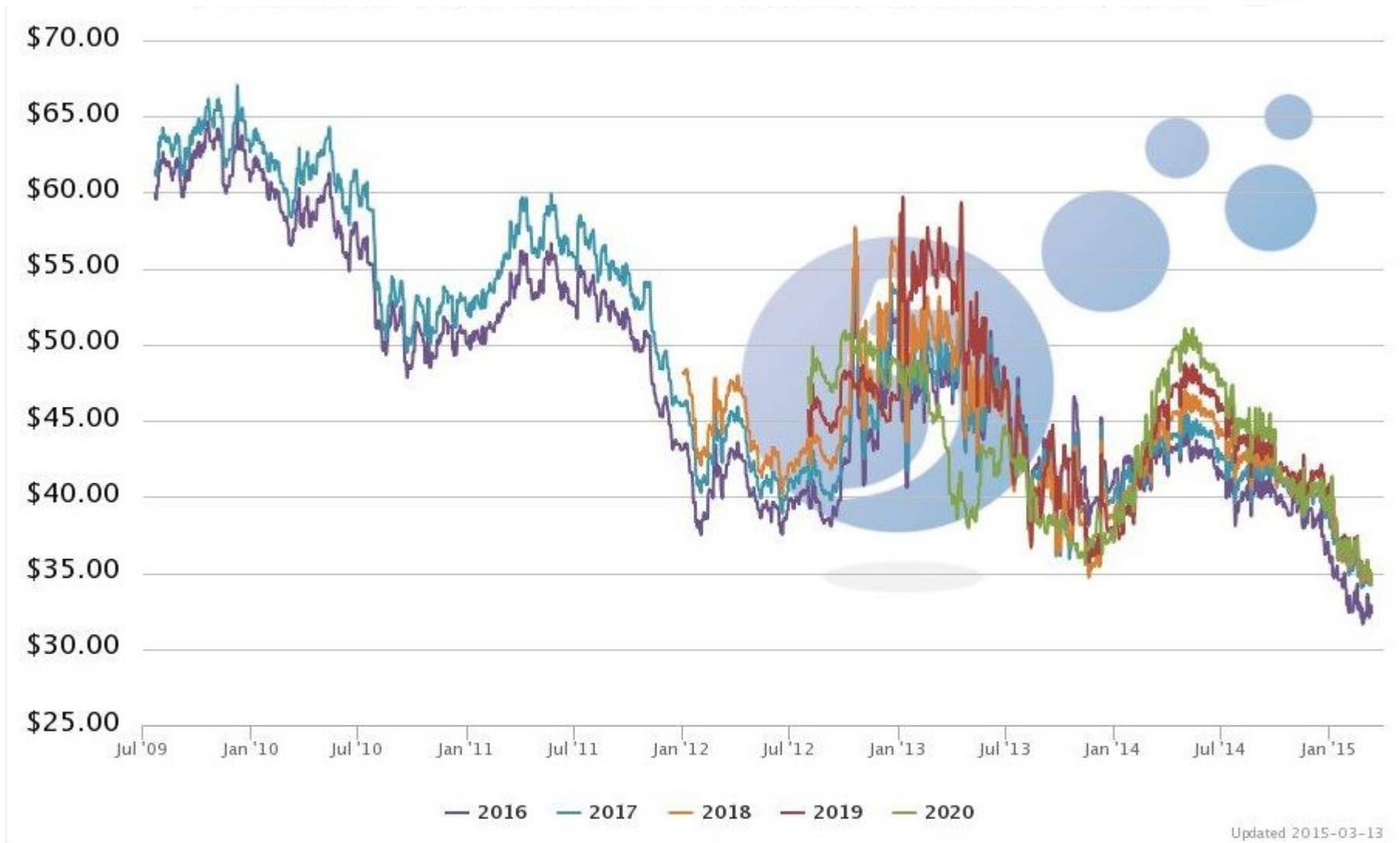


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Source: NYMEX Henry Hub prompt month settles adjusted using the CPI.

Confidential

2016-2020 Wholesale Power Prices (\$ per MWh)





Impact on City's 2018, 2019 and 2020 Budget

Current Market Rates starting 1/1/2018



Current rate in TCAP through 12/31/2017 = \$.07445

- 12 month term = \$.04355
- 24 month term = \$.04397
- 36 month term = \$.04415
- Est. annual savings¹ = \$ 1,082,000
- Est. annual savings¹ = \$ 1,067,000
- Est. annual savings¹ = \$ 1,061,000

5's recommendation is the 36 month totaling a term savings of \$ 3,181,772

Notes:

1. Savings estimates are based upon market prices from March 17, 2015, historical usage received from Oncor and current Oncor tariffs



Next Steps



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