



IMPA SERVICE CORP

11610 N. College Ave.

Carmel, Indiana 46032

317.573.9955

May 19, 2017

Jason Bird, Electric Superintendent
Rochelle Municipal Utilities
333 Lincoln Highway
Rochelle, IL 61068

Subject: Power Supply Recommendation Project

Dear Jason,

This scope of work proposal (the "Scope") is submitted under the current Master Service Agreement between ISC, Inc. d/b/a IMPA Service Corp and the City of Rochelle ("Rochelle"), and responds to a request for a proposal for recommendations for power supply for Rochelle and a subsequent request for bids from counterparties to supply that power.

SCOPE OF SERVICES

This project will develop recommendations concerning the amount of energy Rochelle will require for its power supply needs from June 2018 through May 2021. The recommendations will be based on Rochelle's forecasted demand and existing power supply portfolio, and consider historical load usage and information from Rochelle concerning certain large customers and estimates of their power usage.

After Rochelle accepts or modifies these recommendations and approves a "not to exceed" average cost for the purchased power, IMPA Service Corp will issue a request for bids to Rochelle approved counterparties. Rochelle's City Manager must be available to approve or reject incoming offers at the time the bids are scheduled to be received.

PROJECT TERM

This project and accompanying Scope will terminate when the request for bids (as described herein) is complete or on November 20, 2017, whichever occurs first.

FEES FOR SERVICES

IMPA Service Corp was created by the members of the Indiana Municipal Power Agency to provide professional consulting services on a not-for-profit basis. With this philosophy, we propose to bill Rochelle on an hourly basis for work performed. Services provided by Kyle Brouillette will be billed at \$120 per hour and services performed by Frank Smardo will be billed at \$150 per hour. We estimate that Mr. Brouillette will spend approximately 20 hours on this project and Mr. Smardo will spend approximately 2 hours on this project. The anticipated hours in this Scope are only an estimate and may be exceeded according to the project's needs.

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Out-of-pocket expenses incurred by IMPA Service Corp during the performance of requested services will be reimbursed at cost. Examples of such expenses include travel expenses and transportation to and from Rochelle. IMPA Service Corp transportation will be charged at the IRS reimbursement rate, which is currently 53.5 cents per mile.

We appreciate this opportunity to submit a proposal to Rochelle for this project. If you have any questions about this proposal, please contact Kyle Brouillette (317-573-9955). When you are ready to authorize IMPA Service Corp's services pursuant to this proposal, please sign both copies of this letter and return one copy to us for our files.

We believe you will find IMPA Service Corp's professional services to be sound and to reflect the experiences of our consultants with other municipals. We look forward to beginning our services upon your authorization.

Sincerely,

IMPA Service Corp

Accepted by: ROCHELLE MUNICIPAL
UTILITIES



Frank J. Smardo
Sr. Vice President, Engineering

By: _____