

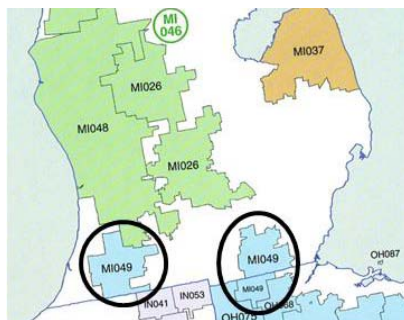
# Midwest Energy Cooperative

## Northeastern Rural Electric Membership Corporation

### Request for Proposals

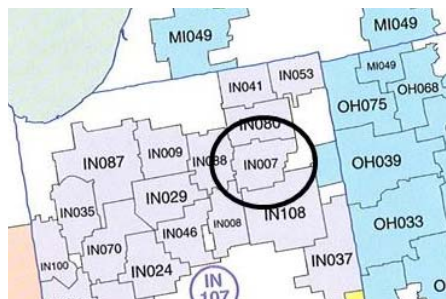
#### **MWE Background:**

- Midwest Energy Cooperative, headquartered in Cassopolis, Michigan serves over 35,000 customers in Southern Michigan, Northern Indiana and Northern Ohio
- Two distinct service territories, the result of a merger between Southeastern Energy Cooperative and Fruit Belt Electric Cooperative in January of 1998
  - The former Southeastern's territory is in the Adrian, Michigan area in MISO. Approximately 4,200 customers are located in Michigan and 1,100 customers are in Ohio. Peak demand is approximately 20MW with an annual load factor of 45%. Full requirements wholesale power contract with Wabash Valley Power Association (WVPA) expires on December 31, 2011
  - The former Fruit Belt's territory is in Southwestern Michigan (approximately 28,500 customers in PJM and 900 customers in MISO) and Northern Indiana (approximately 300 customers in PJM). Peak demand is approximately 110 MW with an annual load factor of 50%. Withdrawal from full requirements wholesale power contract with WVPA is scheduled to be completed December 31, 2014; MWE must provide irrevocable notice of withdrawal by the end of 2011



#### **NREMC Background:**

- Northeastern REMC, headquartered in Columbia City, Indiana serves over 25,000 customers in Northern Indiana. Peak demand is approximately 130 MW with an annual load factor of 50%
- Service territory is fully within PJM
- Withdrawal from full requirements wholesale power contract with WVPA is scheduled to be completed June 30, 2015; NREMC must provide irrevocable notice by June 30, 2012



**Request for Proposals:**

- Requesting a full requirements proposal for one or more of the following scenarios:
  - A. MWE's MISO load beginning on January 1, 2012
  - B. MWE's PJM load beginning on January 1, 2015
  - C. NREMC's PJM load beginning on July 1, 2015
- Scenarios may be combined if supplier identifies economies/benefits (e.g., it may be beneficial to synch up scenarios A and B or to combine MWE and NREMC load for scenarios B and C)
- Note that neither MWE nor NREMC own or is entitled to any resources associated with their load (all scenarios reflect 100% full requirements)
- MWE and NREMC preferences:
  - Long term power supply proposals (minimum 10 years), but shorter terms will be considered
  - Open to creative proposals where supplier can provide exceptional value (e.g., blocks of power, slice of system, unit power)
- Proposals to be priced based on markets of March 2, 2009

**Information Attached:**

- Confidentiality Agreement
- To be provided upon execution of Confidentiality Agreement:
  - Hourly load data 2006-2008 for each cooperative, by ISO
  - Forecasted growth for demand and energy

**Schedule:**

- Discuss interest with potential suppliers (January 2009)
- Confidentiality Agreements (January 2009)
- Data to potential suppliers (upon execution of CA; January 2009)
- Pricing proposals due by close of business March 6, 2009 (e-mail proposals preferred)
- Analyze proposals/discussions with potential suppliers (March/April 2009)
- Establish supplier short list (May 2009)
- Negotiate contract terms and conditions with finalists (Begin in June 2009)
- Obtain appropriate approvals (TBD)
- Implement new contract(s) – scenario A (prior to Commencement on January 1, 2012); scenarios B and C (prior to respective Commencement Dates)

**Next Steps:**

- Initiate confidentiality process (assuming supplier interest)
- Ask clarifying questions
- Contact information – address questions, confidentiality agreements, proposals to:
  - Greg Shepler, Principal Consultant, [greg.shepler@enervision-inc.com](mailto:greg.shepler@enervision-inc.com)
  - 770-270-7505 office; 678-525-2017 mobile