



Encl. #11.22
October 23, 2014

Business Office
One Raider Lane • Horseheads, NY 14845
(607) 739-5601, x4260 • Fax (607) 795-2415

TO: Board of Education

FROM: Katy Buzzetti, School Business Administrator

DATE: October 16, 2014

RE: Billing Schedule & Agreement for
Cooperative Energy Purchasing Services – Natural Gas

The following Natural Gas Cooperative Energy Purchasing Service Billing Schedule and Agreement (Joinder) details the billing terms to be followed by the District and the year-end reconciliation to be performed by OCM BOCES as the administrative participant. The District is billed in six equal installments throughout the school year. Installments are based on the District's estimated annual consumption, multiplied by the rate per therm, divided by six payments. OCM BOCES does a final reconciliation in September of the following school year. If the District's installments were more than actual expenses, the District receives a refund. If the District's expenses were more than installments, the District is invoiced for the difference.

KB/hd

Enclosure

Quality Education for All

The Mission of the Horseheads Central School Community is to provide a quality education for all within a nurturing environment which promotes excellence, growth, and a sense of civic responsibility.

NATURAL GAS COOPERATIVE ENERGY PURCHASING SERVICE
BILLING SCHEDULE AND AGREEMENT (JOINDER)

Participation Period

The term of the energy purchasing contracts entered into with one or more energy suppliers pursuant to the Municipal Cooperation Agreement For Energy Purchasing Services dated the 1st day of May, 2005 (the "Agreement"), among municipal corporations collectively identified as the New York School and Municipal Energy Consortium ("NYSMEC") have been determined by NYSMEC and/or the Administrative Participant based on the responses to the public bidding process and its good faith determination of the best interests of the Participants as a whole. The term of the agreement shall be between one and three years.

Billing Period - Natural Gas Consumption

Each Participant's natural gas bills are estimated, based upon a three-year consumption average, factoring in other variables such as, but not limited to, previous weather patterns, energy improvements at sites and construction. The Participant will be billed in six (6) installments invoiced on or about the following dates:

Installment 1	June 1	Installment 4	December 1
Installment 2	August 1	Installment 5	February 1
Installment 3	October 1	Installment 6	April 1

Billing Period - Energy Services Coordination

For school districts, the billing period for the participation/coordination of energy services is ten (10) relatively equal monthly installments from September through June.

For all other municipalities, the billing period for the participation/coordination of energy services is one (1) initial lump sum payment due on or about January 1 or within thirty (30) days of the invoice date, whichever is later.

Reconciliation

Reconciliation is the balancing between the amount paid based on estimates and the amount due based on actual costs and consumption. The Administrative Participant performs an annual reconciliation, balancing the amount paid for the six (6) installments and the amount of actual natural gas consumed based upon the Participant's actual bills.

The reconciliation balance also reflects any unpaid prior balances and losses to the NYSMEC due to unpaid or uncollectable accounts payable, termination costs and/or other costs or liabilities under the energy purchasing contracts and/or the Agreement. Except as provided otherwise in the Agreement or this Billing Schedule and Agreement all gains or losses to the NYSMEC are prorated to the Participants in proportion to the relative costs of each Participant's purchases of natural gas in the year during which such services are rendered, or in accordance with any other reasonable formula.

The reconciliation for the previous year occurs in September of the next year. If the Participant has overpaid, then the Participant will receive a refund of the credit balance. If the Participant has underpaid, then the Participant will be invoiced for the balance due.

Payments for Natural Gas Consumption and Installment Billing

The Participant agrees to pay all installment and other invoices within thirty (30) days of the invoice date. The Participant's bill is prepared and mailed through the NYSMEC. Payments must be made payable to the "New York School and Municipal Energy Consortium" or "NYSMEC". A 0.75% per month late charge will be assessed on the outstanding balance of any unpaid invoices exceeding thirty (30) days from the original invoice date. Late payments may affect the Participant's share of NYSMEC's year-end surplus, if any. The Administrative Participant may calculate and impose any necessary assessment on the Participants for additional payments if actual costs (e.g., due to energy consumed, administrative expenses and/or other liabilities or expenses) exceed amounts held on behalf of the Participants and will refund amounts in excess of amounts required.

Termination

If a Participant voluntarily terminates its participation in a multi-year energy purchasing contract in accordance with such contract's terms, it will be liable for and will pay to the NYSMEC or directly to the energy supplier as may be directed by the NYSMEC any termination charges or other expense determined in accordance with the energy purchasing contract.

The Agreement and NYSMEC's services to an individual Participant may be terminated with respect to such Participant at the discretion of the Administrative Participant, after consultation with the Advisory Council, for non-payment exceeding sixty (60) days from the original invoice date. If a Participant is in jeopardy of being terminated, it will be given written notice and ten (10) days to pay in full. Upon termination, the Participant will be given written notice. In such event, all outstanding balances owed by the Participant to the NYSMEC remain due and payable and the terminated Participant shall be directly liable to the energy supplier for all payment due for energy provided to it pursuant to the energy purchasing contract. In the event of termination, the Administrative Participant may in its discretion refuse future requests for participation from the Participant.

By signing below, the Participant agrees to all of the terms and conditions of the Agreement and of this Natural Gas Billing Schedule and Agreement for the service period terminating as described above. Furthermore, it authorizes the Administrative Participant to act on its behalf execute and deliver contracts for the purchase and delivery of natural gas as is more fully set forth in the Resolution adopted by its governing body, a certified copy of which is attached.

Signature of Authorized Representative

Date

Representative's Name: Michael Coghlan

Horseheads Central School District
Name of the School District or Municipality

Address of School District or Municipality
One Raider Lane

Horseheads, NY 14845