



Electric Renewal Options

City of Aurora

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Electric Supply Contract Current Status:

City of Aurora's current electric contract with Constellation ends with meter reading dates in February 2020. The current electric suppliers, number of accounts, annual load and energy prices are in the table below:

Supplier	# of unique ComEd Accounts	Cumulative Annual Load (kWh's)	Price Per (kWh)
Constellation	77	19,506,496	\$0.05222
ComEd Franchise Accounts (no charge from ComEd)	87	8,855,675	\$0.00000
ComEd Tariff	12	239,173	\$0.07263
ComEd Hourly (lighting)	18	7,807,007	\$0.02920

Recommendation moving forward:

Progressive Energy Group is recommending the City enter into four different contracts for electricity moving forward:

Type of Accounts	Recommended Contract Duration	Current Price Per kWh	Estimated New Price Per kWh	Annual Savings	Annual Est. kWh
Large Utility Accounts	28-month contract	\$0.05222	\$0.0450	\$130,607	18,089,622
Small Account Electric Supplier	28-month contract	\$0.05222	\$0.0500	\$1,999	900,237
Street Lighting	24-48-month contract	\$0.0292	\$0.0265	\$21,585	7,994,427
Moving Accounts to lowest available rates				\$6,046	
			Total <u>annual</u> savings year 1	\$160,237	27,552,676
	Additional Savings Year 2				
Small Accounts Community Solar	20 years with ability to opt – out at any time	\$0.07263	\$0.0603	\$7,008	568,390

Large Accounts – Please see Attachment A for detailed pricing from the Electric Suppliers. The electric market currently has an inverted pricing structure with power in 2022 cheaper than 2020 and 2021, which is very unusual. Power prices usually act like interest rates, which almost always means the longer the term, the higher the price. The market price is also at historical low prices (Please see attachment D). This leads us to recommend longer term electric supply contracts.

The only potential future item we at Progressive Energy Group believe is a strong possibility that starting in June 2022 the Capacity component of the bundled electric supply charge will be lower. This is because we believe the Illinois legislature will pass legislation authorizing ComEd to pull the utility out of PJM West Regional Transmission System. This change will benefit Exelon Nuclear. We believe to get the legislation passed Exelon/ComEd must agree to a 10%-20% guaranteed price reduction in Capacity costs. This is all an educated guess on the part of Progressive Energy Group.

In summary, we recommend at least a 24-month contract not to exceed 36 months. We could also most likely have the electric supplier's price a 29-month contract that would end in June 2022. This would correspond to the new Capacity prices.

Small Accounts - The City's small accounts only account for 5.3% of the total load. We broke the small accounts into separate groups because the City has the following options:

- ComEd tariff pricing (only available for small accounts) is currently priced at \$0.07263 per kWh
- Electric Supplier Pricing Options (see Attachment B)
- Community Solar Pricing Option (small customers get much better pricing)

Because of these options when looking at City of Aurora's small electric accounts, we determined it would be most cost effective to bifurcate your "poor load factor" accounts away from the "good load factor" accounts. See table below:

Electric Supply Options (Small Accounts under 100 kW)		Price per kWh
ComEd Tariffed rate		\$0.07263
Electric Supplier (All Small Accounts)		\$0.06471
Electric Supplier (only good load factors)		\$0.05000
Electric Supplier (only poor load factors)		\$0.08800
Community Solar		\$0.06030

As you can see the lowest price is \$0.05000 per kWh for the Good load factor accounts, which is 61% of the small load. The next lowest price is for Community Solar at \$0.06030. Thus, we recommend:

- Good load factor accounts to go with a supplier for 24 – 36 months.
- Poor load factor accounts to go with a Community Solar program.

Progressive Energy Group is currently working with the following Community Solar Subscribers:

1. Nexamp Solar
 - a. Offers a flat 20% discount to ComEd's electric supply price
 - b. 20-year contract, but you can leave at any time

- c. Possibility to offer this program to all City employees
 - d. Must pay two invoices for each ComEd account
2. US Solar
- a. Discuss offering 22% - 24% discount to ComEd electric price
 - b. 6-year contract with more onerous early termination fees
 - c. Must pay two invoices for each ComEd account

Street Lighting – As part of the audit we determined that the City has four of its street lighting accounts on the current Constellation contract. We removed those four accounts from any new electric contract. The City has most of its street lighting on ComEd's hourly pricing where the price changes every month. The pricing averaged \$0.0313 per kWh for the four months of invoices we reviewed. Our educated guess is that over the last year the City averaged around \$0.03 per kWh. We would need to get access to a full years' worth of invoices to fully verify this educated guess. The City has three options for street lighting:

- 1. Stay on ComEd hourly pricing
- 2. Move to Supplier Hourly pricing
 - a. Averaged 6.4% lower price over last 5 years (please see attachment E)
 - b. Price was lower every calendar year than ComEd
- 3. Move to Supplier fixed pricing (Please see attachment C for detailed pricing)
 - a. Price is 10% lower than price over past year
 - b. Lock in low commodity prices (attachment D)

Unlike the large and small accounts, the Street lighting accounts pay close to \$0 in capacity costs. Thus, the City may want to consider a much longer-term contract – possibly five years – for Street Lighting.

The other advantage of a fixed price for street lighting is it would make it much easier to calculate the City's performance contract with the LED street lights.

Next Steps

- Review recommendations with appropriate City Staff and get feedback.
- Get on City Council agenda for early December 2019 meeting
 - ComEd has an 18-business day notification requirement when changing electric suppliers. Thus, a new contract needs to be in place by first week of January. Our preference would be to have new contract signed in Mid-December.
- City of Aurora attorneys' review and approve the electric contracts.

City of Aurora - Large Accounts Bid Review Worksheet

All Inclusive - Pricing includes energy, capacity, ancillary, transmission, line loss, and renewable charges

Supplier	Price/Options	Monthly Billing Option	Monthly Payment Terms	Experience with Illinois Governmental Units	Demand Mgmt.	Currently Approved by The ICC	Credit Rating	Contract Material Change Language	Early Term. Fee	References (Optional)	Draft Sales Agreement Attached
Ambit	12 Month - No Bid 24 Month - No Bid 36 Month - No Bid	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	No	No	Yes	Ba2 Vistra	Yes	Yes	Upon Request	Upon Request if chosen supplier
Aggressive Energy	12 Month - \$0.04641 24 Month - \$0.04608 36 Month - \$0.04580	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	No	No	Yes	Privately Held	No	Yes	Upon Request	Upon Request if chosen supplier
Constellation	12 Month - \$0.04632 24 Month - \$0.04727 36 Month - \$0.04814	Single	45 Day (Illinois Prompt Payment Act)	Yes	Yes (through C-Power)	Yes	Baa2 Exelon	No	Yes	Upon Request	Upon Request if chosen supplier
Direct Energy	12 Month - \$0.04554 24 Month - \$0.04516 36 Month - \$0.04452	Single	45 Day (Illinois Prompt Payment Act)	Yes	Yes	Yes	Baa1	Yes	Yes	Upon Request	Upon Request if chosen supplier
Dynegy	12 Month - \$0.04539 24 Month - \$0.04514 36 Month - \$0.04458	Single	45 Day (Illinois Prompt Payment Act)	Yes (Previously administered the IEC Consortium)	No	Yes	Ba2 Vistra	No	Yes	Upon Request	Upon Request if chosen supplier
Eligo Energy	12 Month - \$0.05024 24 Month - \$0.04979 36 Month - \$0.04982	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	Yes	No	Yes	Privately Held	Yes	Yes	Upon Request	Upon Request if chosen supplier
FreePoint	12 Month - \$0.04572 24 Month - \$0.04515 36 Month - \$0.04468	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	Yes	No	Yes	Privately Held	Yes	Yes	Upon Request	Upon Request if chosen supplier
Hudson Energy	12 Month - \$0.04725 24 Month - \$0.04695 36 Month - \$0.04735	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	Yes	No	Yes	Not Provided	Yes	Yes	Upon Request	Upon Request if chosen supplier
MC2 Energy	12 Month - \$0.04769 24 Month - \$0.04733 36 Month - \$0.04709	Single	45 Day (Illinois Prompt Payment Act)	Yes	No	Yes	Privately Held	Yes	Yes	Upon Request	Upon Request if chosen supplier
MP2 Energy	12 Month - No Bid 24 Month - No Bid 36 Month - No Bid	Single	45 Day (Illinois Prompt Payment Act)	Yes	No	Yes	A Shell Energy	Yes	Yes	Upon Request	Upon Request if chosen supplier
Nordic Energy	12 Month - No Bid 24 Month - No Bid 36 Month - No Bid	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	Yes	No	Yes	Privately Held	Yes	Yes	Upon Request	Upon Request if chosen supplier
Summer Power	12 Month - No Bid 24 Month - No Bid 36 Month - No Bid	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	Yes in Texas	No	Yes	Privately Held	Yes	Yes	Upon Request	Upon Request if chosen supplier
SFE Energy	12 Month - No Bid 24 Month - No Bid 36 Month - No Bid	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	No	No	Yes	Privately Held	Yes	Yes	Upon Request	Upon Request if chosen supplier
Titan Power	12 Month - \$0.05811 24 Month - \$0.05900 36 Month - \$0.05867	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	Yes	No	Yes	Privately Held	Yes	Yes	Upon Request	Upon Request if chosen supplier

City of Aurora - Small Accounts Bid Review Worksheet

All Inclusive - Pricing includes energy, capacity, ancillary, transmission, line loss, and renewable charges

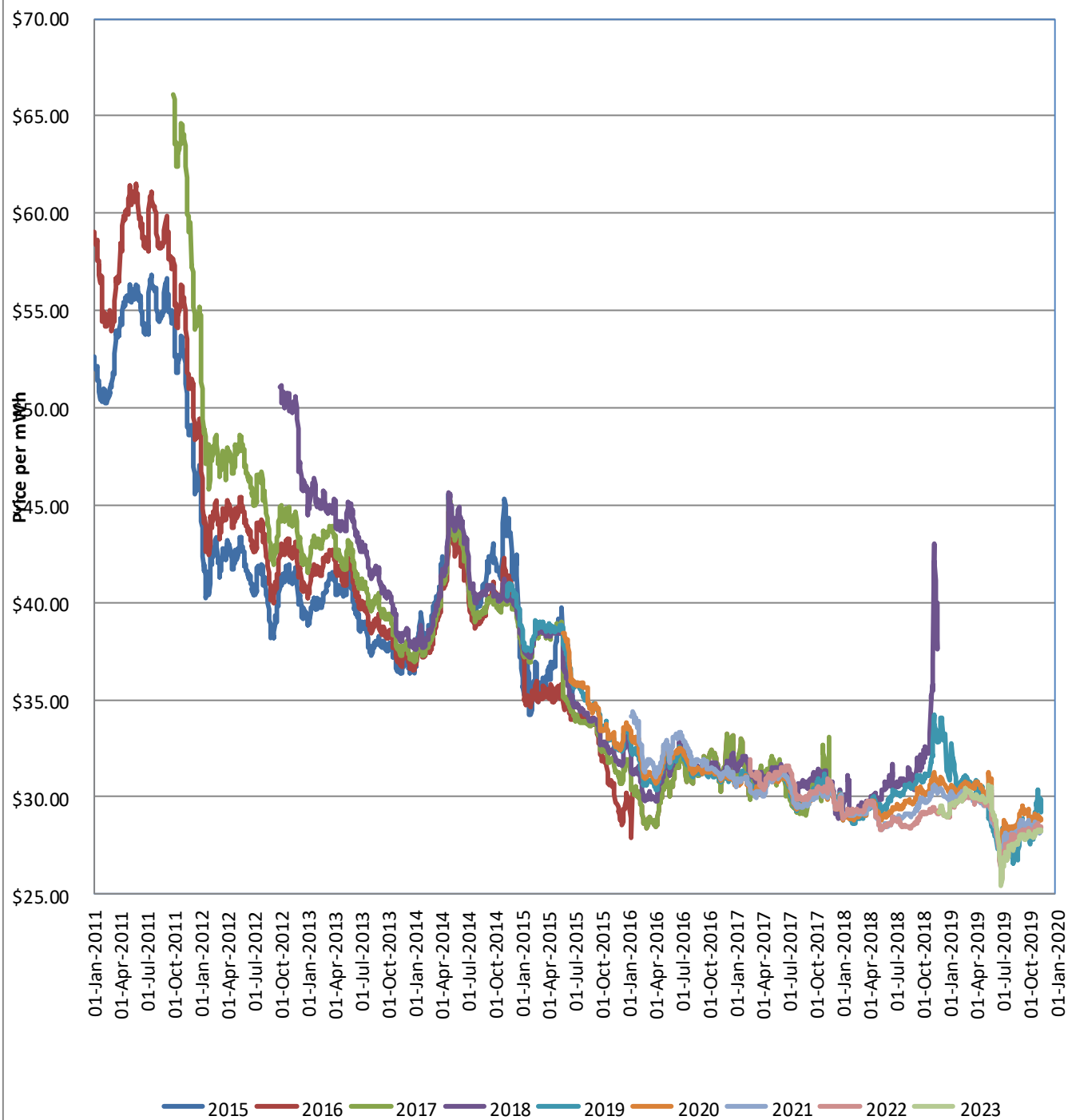
Supplier	Price/Options	Monthly Billing Option	Monthly Payment Terms	Experience with Illinois Governmental Units	Demand Mgmt.	Currently Approved by The ICC	Credit Rating	Contract Material Change Language	Early Term. Fee	References (Optional)	Draft Sales Agreement Attached
Ambit	12 Month - No Bid 24 Month - No Bid 36 Month - No Bid	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	No	No	Yes	Ba2 Vistra	Yes	Yes	Upon Request	Upon Request if chosen supplier
Aggressive Energy	12 Month - \$0.04991 24 Month - \$0.04965 36 Month - \$0.04943	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	No	No	Yes	Privately Held	No	Yes	Upon Request	Upon Request if chosen supplier
Constellation	12 Month - No Bid 24 Month - No Bid 36 Month - No Bid	Single	45 Day (Illinois Prompt Payment Act)	Yes	Yes (through C-Power)	Yes	Baa2 Exelon	No	Yes	Upon Request	Upon Request if chosen supplier
Direct Energy	12 Month - \$0.05203 24 Month - \$0.05169 36 Month - \$0.05124	Single	45 Day (Illinois Prompt Payment Act)	Yes	Yes	Yes	Baa1	Yes	Yes	Upon Request	Upon Request if chosen supplier
Dynegy	12 Month - \$0.05083 24 Month - \$0.05054 36 Month - \$0.04983	Single	45 Day (Illinois Prompt Payment Act)	Yes (Previously administered the IEC Consortium)	No	Yes	Ba2 Vistra	No	Yes	Upon Request	Upon Request if chosen supplier
Eligo Energy	12 Month - \$0.06086 24 Month - \$0.06056 36 Month - \$0.06086	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	Yes	No	Yes	Privately Held	Yes	Yes	Upon Request	Upon Request if chosen supplier
FreePoint	12 Month - \$0.05198 24 Month - \$0.05128 36 Month - \$0.05080	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	Yes	No	Yes	Privately Held	Yes	Yes	Upon Request	Upon Request if chosen supplier
Hudson Energy	12 Month - \$0.05915 24 Month - \$0.05895 36 Month - \$0.05995	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	Yes	No	Yes	Not Provided	Yes	Yes	Upon Request	Upon Request if chosen supplier
MC2 Energy	12 Month - \$0.05387 24 Month - \$0.05355 36 Month - \$0.05334	Single	45 Day (Illinois Prompt Payment Act)	Yes	No	Yes	Privately Held	Yes	Yes	Upon Request	Upon Request if chosen supplier
MP2 Energy	12 Month - No Bid 24 Month - No Bid 36 Month - No Bid	Single	45 Day (Illinois Prompt Payment Act)	Yes	No	Yes	A Shell Energy	Yes	Yes	Upon Request	Upon Request if chosen supplier
Nordic Energy	12 Month - No Bid 24 Month - No Bid 36 Month - No Bid	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	Yes	No	Yes	Privately Held	Yes	Yes	Upon Request	Upon Request if chosen supplier
Summer Power	12 Month - No Bid 24 Month - No Bid 36 Month - No Bid	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	Yes in Texas	No	Yes	Privately Held	Yes	Yes	Upon Request	Upon Request if chosen supplier
SFE Energy	12 Month - No Bid 24 Month - No Bid 36 Month - No Bid	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	No	No	Yes	Privately Held	Yes	Yes	Upon Request	Upon Request if chosen supplier
Titan Power	12 Month - \$0.06390 24 Month - \$0.06414 36 Month - \$0.06453	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	Yes	No	Yes	Privately Held	Yes	Yes	Upon Request	Upon Request if chosen supplier

City of Aurora - Lighting Accounts Bid Review Worksheet

All Inclusive - Pricing includes energy, capacity, ancillary, transmission, line loss, and renewable charges

Supplier	Price/Options	Monthly Billing Option	Monthly Payment Terms	Experience with Illinois Governmental Units	Demand Mgmt.	Currently Approved by The ICC	Credit Rating	Contract Material Change Language	Early Term. Fee	References (Optional)	Draft Sales Agreement Attached
Ambit	12 Month - No Bid 24 Month - No Bid 36 Month - No Bid	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	No	No	Yes	Ba2 Vistra	Yes	Yes	Upon Request	Upon Request if chosen supplier
Aggressive Energy	12 Month - \$0.03224 24 Month - \$0.03154 36 Month - \$0.03112	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	No	No	Yes	Privately Held	No	Yes	Upon Request	Upon Request if chosen supplier
Constellation	12 Month - \$0.02667 24 Month - \$0.02645 36 Month - \$0.02633	Single	45 Day (Illinois Prompt Payment Act)	Yes	Yes (through C-Power)	Yes	Baa2 Exelon	No	Yes	Upon Request	Upon Request if chosen supplier
Direct Energy	12 Month - \$0.03731 24 Month - \$0.03700 36 Month - \$0.03685	Single	45 Day (Illinois Prompt Payment Act)	Yes	Yes	Yes	Baa1	Yes	Yes	Upon Request	Upon Request if chosen supplier
Dynegy	12 Month - \$0.02983 24 Month - \$0.02957 36 Month - \$0.02940	Single	45 Day (Illinois Prompt Payment Act)	Yes (Previously administered the IEC Consortium)	No	Yes	Ba2 Vistra	No	Yes	Upon Request	Upon Request if chosen supplier
Eligo Energy	12 Month - \$0.03181 24 Month - \$0.03154 36 Month - \$0.03129	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	Yes	No	Yes	Privately Held	Yes	Yes	Upon Request	Upon Request if chosen supplier
FreePoint	12 Month - \$0.02955 24 Month - \$0.02896 36 Month - \$0.02860	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	Yes	No	Yes	Privately Held	Yes	Yes	Upon Request	Upon Request if chosen supplier
Hudson Energy	12 Month - No Bid 24 Month - No Bid 36 Month - No Bid	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	Yes	No	Yes	Not Provided	Yes	Yes	Upon Request	Upon Request if chosen supplier
MC2 Energy	12 Month - \$0.03096 24 Month - \$0.03038 36 Month - \$0.03050	Single	45 Day (Illinois Prompt Payment Act)	Yes	No	Yes	Privately Held	Yes	Yes	Upon Request	Upon Request if chosen supplier
MP2 Energy	12 Month - No Bid 24 Month - No Bid 36 Month - No Bid	Single	45 Day (Illinois Prompt Payment Act)	Yes	No	Yes	A Shell Energy	Yes	Yes	Upon Request	Upon Request if chosen supplier
Nordic Energy	12 Month - No Bid 24 Month - No Bid 36 Month - No Bid	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	Yes	No	Yes	Privately Held	Yes	Yes	Upon Request	Upon Request if chosen supplier
Summer Power	12 Month - No Bid 24 Month - No Bid 36 Month - No Bid	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	Yes in Texas	No	Yes	Privately Held	Yes	Yes	Upon Request	Upon Request if chosen supplier
SFE Energy	12 Month - No Bid 24 Month - No Bid 36 Month - No Bid	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	No	No	Yes	Privately Held	Yes	Yes	Upon Request	Upon Request if chosen supplier
Titan Power	12 Month - \$0.05680 24 Month - \$0.05690 36 Month - \$0.05690	UCB (Accounts under 100kW) Dual (Accounts over 400kW)	45 Day (Illinois Prompt Payment Act)	Yes	No	Yes	Privately Held	Yes	Yes	Upon Request	8 Upon Request if chosen supplier

Wholesale Market Pricing (Midwest) since Jan. 2011



		LMP Day - Ahead Hourly Prices			ComEd BES-H
		Month			
		<u>Average</u>	<u>Peak</u>	<u>Off-Peak</u>	<u>Month Avg.</u>
Jan	2018	\$ 37.57	\$ 44.71	\$ 30.51	\$ 41.84
Feb	2018	\$ 23.34	\$ 27.00	\$ 20.00	\$ 25.41
Mar	2018	\$ 23.90	\$ 28.22	\$ 20.00	\$ 27.16
Apr	2018	\$ 27.25	\$ 32.44	\$ 22.70	\$ 29.02
May	2018	\$ 23.33	\$ 30.97	\$ 15.84	\$ 27.28
Jun	2018	\$ 26.93	\$ 31.44	\$ 22.99	\$ 27.73
Jul	2018	\$ 30.18	\$ 37.07	\$ 24.00	\$ 30.88
Aug	2018	\$ 30.03	\$ 35.80	\$ 24.92	\$ 32.39
Sept	2018	\$ 29.37	\$ 37.78	\$ 22.64	\$ 30.54
Oct	2018	\$ 28.24	\$ 34.69	\$ 21.92	\$ 29.54
Nov	2018	\$ 33.31	\$ 39.64	\$ 27.28	\$ 34.03
Dec	2018	\$ 29.79	\$ 34.30	\$ 26.38	\$ 31.62
Jan	2019	\$ 26.89	\$ 29.13	\$ 21.68	\$ 27.75
Feb	2019	\$ 24.77	\$ 27.97	\$ 21.86	\$ 27.82
Mar	2019	\$ 27.12	\$ 31.56	\$ 23.45	\$ 28.37
Apr	2019	\$ 24.81	\$ 29.30	\$ 20.51	\$ 26.06
May	2019	\$ 22.17	\$ 25.55	\$ 18.86	\$ 22.29
Jun	2019	\$ 21.36	\$ 25.13	\$ 18.34	\$ 22.70
Jul	2019	\$ 26.44	\$ 31.68	\$ 22.25	\$ 29.62
Aug	2019	\$ 27.46	\$ 32.52	\$ 22.89	\$ 30.03
Sept	2019	\$ 26.98	\$ 30.94	\$ 21.85	\$ 28.97
Oct	2019	\$ 27.58	\$ 30.47	\$ 22.47	\$ 29.65
Cal	2015	\$ 28.01	\$ 33.95	\$ 22.69	\$ 30.75
Cal	2016	\$ 26.47	\$ 32.05	\$ 21.53	\$ 27.88
Cal	2017	\$ 26.96	\$ 32.30	\$ 22.16	\$ 28.57
Cal	2018	\$ 28.68	\$ 34.60	\$ 23.29	\$ 30.68
Cal	2019	<u>\$ 24.68</u>	<u>\$ 28.78</u>	<u>\$ 21.07</u>	<u>\$ 26.11</u>
5 year avg.		\$ 26.96	\$ 32.34	\$ 22.15	\$ 28.80