

PUBLIC WORKS MEMO



DATE: September 11, 2023

TO: Paula Schumacher
Village Administrator

FROM: Dan Dinges, PE
Director of Public Works

SUBJECT: Electricity Purchase – Pumping Accounts

In 2007, Com Ed began charging customers both a rate for power and a rate for distribution. Com Ed also stopped generating electricity and started purchasing power on the open market. Although Com Ed no longer generates electricity, they continue to act as the power distribution company regardless who supplies the electricity. Our franchise agreement with Com Ed remains in place, thus a portion of our municipal electricity use continues to be at no cost. Electricity used for street lighting, water pumping, the wastewater treatment plant, and Bartlett Hills is set at market rates. Fixing the cost of electricity at a guaranteed market rate over the course of a contract helps us provide stability to our budgets for these accounts.

Our current contract agreements for the pumping accounts expire in December 2024 therefore, we are looking at finding the best time to bid out for electricity pricing. The Village works with a private energy advisor, Satori Energy, to review our usage and secure competitive pricing from 3rd party suppliers.

Due to the volatility in electric prices, our advisor is recommending a not-to-exceed approval for the accounts below:

- Less than or equal to \$0.060/kWh for Enterprise Accounts

They are also recommending that we lock in the rate for up to 36 months. Based on preliminary pricing they have received from the suppliers, they believe we should be able to be less than these rates and save money in the long run. With this approval, our advisor will go out to bid for electric prices when the market looks favorable and we will be able to lock in the prices immediately. Once the prices are locked we will provide the final prices to the Board. This is very similar to what was done the last time we went out for pricing.

MOTION:

I move the Village Board approve Resolution 2023 - _____, a Resolution Approving of the Purchase of Electricity by the Village of Bartlett at a Price Not-to-Exceed \$0.060/kWh.

RESOLUTION 2023 - _____

**A RESOLUTION APPROVING OF THE PURCHASE OF ELECTRICITY
BY THE VILLAGE OF BARTLETT AT A PRICE NOT TO EXCEED \$0.060/kWh**

BE IT RESOLVED by the President and Board of Trustees of the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois, as follows:

SECTION ONE: The Electricity Supply Agreement between the Village of Bartlett and the low bidder as determined by the Village's energy consultant through the Metropolitan Energy Collaborative, Satori Energy, in form as approved by the Village Attorney (the "Agreement"), at a cost not to exceed \$0.060/kWh for Enterprise Accounts, as determined by the Village Finance Director and the Village Administrator, is hereby approved.

SECTION TWO: That the Director of Public Works and the Village Clerk are hereby authorized and directed to sign and attest, respectively, the Agreement on behalf of the Village of Bartlett, provided it is executed by 11/15/2024.

SECTION THREE: SEVERABILITY. The various provisions of this Resolution are to be considered as severable, and of any part or portion of this Resolution shall be held invalid by any Court of competent jurisdiction, such decision shall not affect the validity of the remaining provisions of this Resolution.

SECTION FOUR: REPEAL OF PRIOR RESOLUTIONS. All prior Ordinances and Resolutions in conflict or inconsistent herewith are hereby expressly repealed only to the extent of such conflict or inconsistency.

SECTION FIVE: EFFECTIVE DATE. This Resolution shall be in full force

and effect upon passage and approval.

ROLL CALL VOTE:

AYES:

NAYS:

ABSENT:

PASSED: September 19, 2023

APPROVED: September 19, 2023

Kevin Wallace, Village President

ATTEST:

Lorna Giles, Village Clerk

CERTIFICATION

I, the undersigned, do hereby certify that I am the Village Clerk of the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois, and that the foregoing is a true, complete and exact copy of Resolution 2023 - _____ enacted on September 19, 2023, and approved on September 19, 2023, as the same appears from the official records of the Village of Bartlett.

Lorna Giles, Village Clerk



Re: Village of Bartlett Pumping Accounts

Satori Energy has assisted the Village of Bartlett with power purchases on the competitive market since 2006. The bulk of Bartlett’s energy spend is its water pumping accounts, which are currently under contract with Constellation Energy through December 2024. The current contract rate is \$0.04452/kWh. This is the lowest rate the village has ever paid and was signed when prices were extremely low. Since then, energy markets have increased substantially. Electric prices were up over 100% in 2022 (please see graph below). In December 2022 they began to retreat, but not enough to get back down to current contract rates.

The table below shows a contract price history for Bartlett over the past 15 years:

May 08- Dec 10	Dec 10- Dec 12	Dec 12- Dec 13	Dec 13- Dec 15	Dec 15- Dec 17 Contract	Dec 17- Dec 20 Contract	Dec20-23
\$0.08250	\$0.05537	\$0.04948	\$0.05102	\$0.05185	\$0.05287	\$0.04758

As of 9/11/2023, a new contract price is estimated to be \$0.057/kWh. While this is still lower than what the village paid from 2008-2010, it’s an increase from the current rate. The good news is that Bartlett has saved a great amount of money over the past 15 years, but this new market reality will need to be planned.

I recommend the board allow the Director of Public Works to sign a new agreement between now and 11/15/2024 at a price at or below \$0.06/kWh. Satori Energy will put Bartlett on our Market Watch product. This is a weekly or bi-weekly price report that allows a user to see the price trend over time and sign when there’s a comparative low in the market. If an opportunity arises, the Director of Public Works can sign the contract right away without waiting for the next board meeting (by which time the price could be gone).

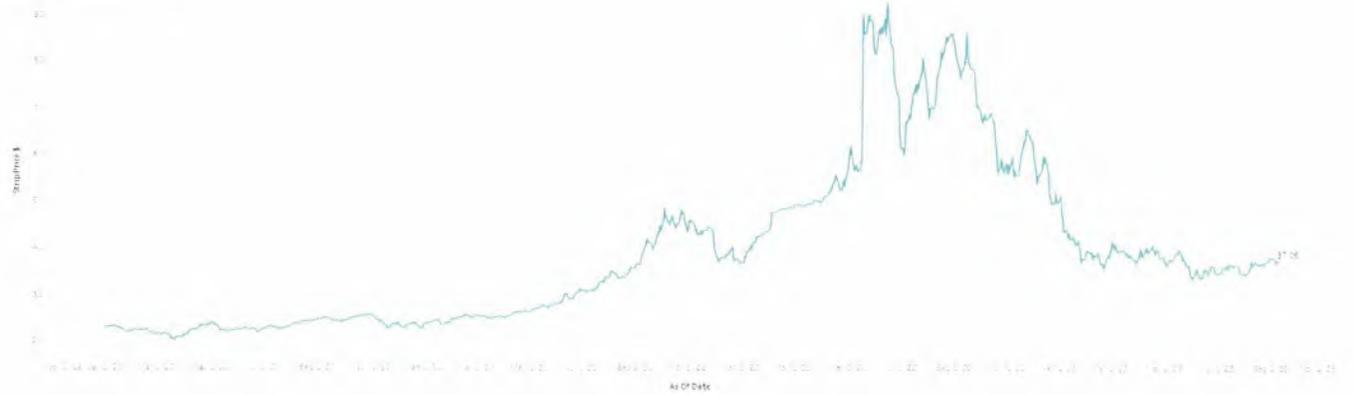
Satori Energy recommends the village empower the Director of Public Works to execute a 24 or 36 month contract at or below \$0.06/kWh when market conditions are favorable. Satori Energy will be in close contact advising on market conditions.

Thank you for your attention to this matter.

Sincerely,

Mollie VanderLaan
Senior Consultant

Rolling Strip Evolution
Hub: CO#2ED Block: *024 Term: 11/16/2018 Stop
Last Trade Date: 9/7/2022



Village of Bartlett

Electric Supply Pricing Proposal

QUOTE
DATE:
9/11/2023

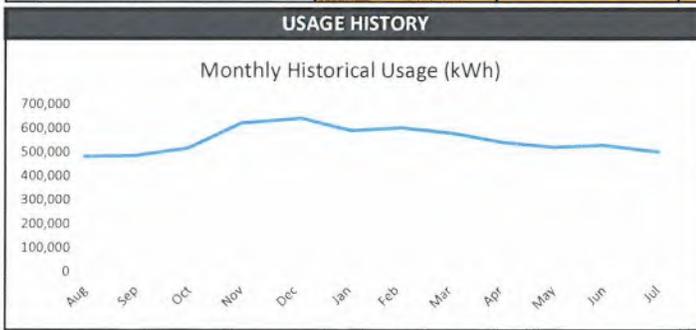


QUOTE INFORMATION	
Projected Start Date:	December 2024
Utility:	ComEd - IL
Number of Accounts:	30
Annual kWh:	6,615,634
Product Quoted:	Fixed

CURRENT PROVIDER INFORMATION	
Supply Provider:	Constellation
Electric Rate (\$/kWh):	\$0.04452
Annual Contract Expense:	\$294,528
Product:	Fixed
Contract End Date:	December 2024

MOST COMPETITIVE SUPPLY QUOTES						
Term Length	Rate (\$/kWh)	Supplier	Annual Contract Expense	Annual Impact (\$)	Annual Impact (%)	Total Contract Impact (\$)
12 Months	\$0.05740	SmartestEnergy	\$379,737	↑ \$85,209	↑ 28.9%	↑ \$85,209
18 Months	\$0.05752	SmartestEnergy	\$380,531	↑ \$86,003	↑ 29.2%	↑ \$129,005
24 Months	\$0.05767	SmartestEnergy	\$381,524	↑ \$86,996	↑ 29.5%	↑ \$173,991
36 Months	\$0.05822	SmartestEnergy	\$385,162	↑ \$90,634	↑ 30.8%	↑ \$271,903

QUOTE PRESENTATION						
Supplier	12 Months	18 Months	24 Months	36 Months	Credit Status	Bandwidth
Constellation	\$0.05816	\$0.05863	\$0.05874	\$0.05953	Approved	100%
Direct Energy	\$0.05915	\$0.06002	\$0.06052	\$0.06149	Pending Approval	100%
Hudson Energy	\$0.05830	\$0.05880	\$0.05920	\$0.05980	Pending Approval	100%
Freepoint Energy	\$0.05892	\$0.05956	\$0.05968	\$0.06027	Approved	100%
Shell Energy	\$0.06132	\$0.06278	\$0.06355	\$0.06475	Approved	100%
SmartestEnergy	\$0.05740	\$0.05752	\$0.05767	\$0.05822	Approved	100%



INVOICE TYPES

- **Single (POR/UCB):** The account(s) would be invoiced through the utility, with the supplier of choice's charges displayed as its own line item. This is typically the simplest option as you will receive an invoice directly from the utility as well as make a single payment to the utility for each account.
- **Single:** The account(s) would be invoices by the supplier of choice for both the supply charges as well as the utility's charges for delivery and taxes. Only a single payment will need to be made to the supplier of choice.
- **Dual:** The account(s) would receive two separate invoices every month; one from the supplier of choice for all supply charges, and another from the utility for delivery and taxes.

CAPACITY INFORMATION

Electricity supply rates are typically comprised of six major components: energy, capacity, transmission, ancillary costs, line losses, and Renewable Portfolio Standard (RPS) costs. Capacity itself is a regulated cost, meaning that the cost will be the same regardless of which supplier you choose to purchase your energy from. The table to the right shows the fluctuating costs of capacity over the next several years.

Planning Year	Est. Cost (\$/kWh)
June 2020 - May 2021	\$0.01978
June 2021 - May 2022	\$0.02067
June 2022 - May 2023	\$0.00690
June 2023 - May 2024	\$0.00356
June 2024 - May 2025	\$0.00302

NOTES AND DISCLAIMERS

- Pricing as quoted is typically valid on the Quote Date; however, unforeseen market conditions could invalidate pricing without notice.
- This offer is presented on behalf of the named providers and is to the best knowledge of Satori Energy.
- Satori Energy is not responsible for any changes relative to this offer that are unknown to us.
- Historical annual kWh is determined by calculating the last 12 months of usage as provided from the local utility.
- This proposal incorporates all costs except meter rentals, facility costs, delivery costs, and any city, county, or state sales tax and gross receipts tax (which are not subject to deregulation).
- This analysis is only for the named client's review and the client agrees not to share this proprietary information with any third parties unless required by law. Either party breaking this covenant will be liable for damages.
- All suppliers retain the ability to adjust prices due to a change in law imposed by a Governmental Authority or the regional Independent System Operator ("ISO").
- All savings and expense impact figures displayed in the above proposal are estimates based on historical usage.

Village of Bartlett
Detailed Account Information



ACCOUNT INFORMATION					
Utility	Account Number	Service Address	Annual Usage	% of Usage	Start Date
ComEd - IL	0458018043	28w 011 Schick Rd, Bartlett, IL 60103	29,400	0.44%	December 2024
ComEd - IL	0484046004	31w 124 Lake St., Bartlett, IL 60103	60,136	0.91%	December 2024
ComEd - IL	0549158054	300 Main St., Bartlett, IL 60103	49,680	0.75%	December 2024
ComEd - IL	0575137021	315 E. Devon Ave, Bartlett, IL 60103	63,873	0.97%	December 2024
ComEd - IL	0779095037	390 Blueheron Cir, Lift Station, Bartlett, IL 60103	34,256	0.52%	December 2024
ComEd - IL	1043095059	1561 Old Forge Rd., Bartlett, IL 60103	13,897	0.21%	December 2024
ComEd - IL	1106356004	800 W Oneida Ave., Bartlett, IL 60103	371,647	5.62%	December 2024
ComEd - IL	1251136063	271 S Oak Ave, Bartlett, IL 60103	20,281	0.31%	December 2024
ComEd - IL	1303030123	900 S Route 59, Bartlett, IL 60103	46,200	0.70%	December 2024
ComEd - IL	1979136001	502 Jervey Lane, Bartlett, IL 60103	4,481	0.07%	December 2024
ComEd - IL	1992121017	01 Bartlett Road, Bartlett, IL 60103	20,055	0.30%	December 2024
ComEd - IL	2200061081	207 E Country Dr, Bartlett, IL 60103	21,096	0.32%	December 2024
ComEd - IL	2759011000	1595 Petersdorf, Bartlett, IL 60103	13,860	0.21%	December 2024
ComEd - IL	3214100001	1120 Auburn Lane, Bartlett, IL 60103	3,739	0.06%	December 2024
ComEd - IL	3760148000	1430 Brewster Creek Blvd, Bartlett, IL 60103	54,713	0.83%	December 2024
ComEd - IL	4033130008	Sign, Pebble Beach Rd 0 Se Rt 59, Bartlett, IL 60103	3,802	0.06%	December 2024
ComEd - IL	4410158042	1150 Bittersweet Dr, Bartlett, IL 60103	5,459,566	82.53%	December 2024
ComEd - IL	4488133066	28w 480 Sterns Rd, Bartlett, IL 60103	74,152	1.12%	December 2024
ComEd - IL	4631147098	1791 Ariana Dr, Bartlett, IL 60103	11,486	0.17%	December 2024
ComEd - IL	4665038035	120 E. Railroad Ave, Bartlett, IL 60103	2,031	0.03%	December 2024
ComEd - IL	4748003003	944 W Stearns Rd., Bartlett, IL 60103	8,606	0.13%	December 2024
ComEd - IL	4833047022	138 W. Oneida Ave., Bartlett, IL 60103	750	0.01%	December 2024
ComEd - IL	4839083022	691 San Diego Place, Bartlett, IL 60103	12,386	0.19%	December 2024
ComEd - IL	5163011019	535 W. Devon Ave, Bartlett, IL 60103	16,804	0.25%	December 2024
ComEd - IL	5216103002	1442 Woodland Hills Dr, Bartlett, IL 60103	5,832	0.09%	December 2024
ComEd - IL	5228140042	120 E. Railroad Ave., Bartlett, IL 60103	72,318	1.09%	December 2024
ComEd - IL	5450032000	2011 Westridge Drive, Bartlett, IL 60103	41,791	0.63%	December 2024
ComEd - IL	5827123021	818 Kent Circle, Bartlett, IL 60103	48,088	0.73%	December 2024
ComEd - IL	7463066003	2255 South Wind Drive, Bartlett, IL 60103	37,797	0.57%	December 2024
ComEd - IL	0183077205	222 E Schick Rd., Lift Station, Bartlett, IL 60103	12,911	0.20%	December 2024