



# PUBLIC WORKS MEMO



DATE: September 11, 2023

TO: Paula Schumacher  
Village Administrator

FROM: Dan Dinges, PE  
Director of Public Works

SUBJECT: Electricity Purchase - Streetlights

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 agreement for streetlights expires in December 2023 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 \$0.043/kWh for Street Lighting Account

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 \$0.043/kWh.

**RESOLUTION 2023 - \_\_\_\_\_**

**A RESOLUTION APPROVING OF THE PURCHASE OF ELECTRICITY  
BY THE VILLAGE OF BARTLETT AT A PRICE NOT TO EXCEED \$0.043/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 \$0.043/kWh for Streetlighting 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 within the next 365 days.

**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: Street lighting Electric account

The street lighting account contract expires in December, 2023. The current contract is priced at \$0.027/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. Starting in December 2022 they began to retreat, but not enough to get back down to current contract rates.

The new price will be about \$0.042/kWh, a \$23,000 annual increase (see attached). Fortunately, the village signed the bulk of its electric accounts to a contract through 2024, so this increase will only affect this small part of your overall usage for the 2024 budget.

I recommend that Bartlett sign a 3-year contract because the difference between 1 and 3 years is not substantial, and prices are expected to increase in 2024 and beyond.

This is because more American natural gas will be shipped overseas via liquified natural gas tankers. More terminals to liquify natural gas are coming online in 2024 and 2025. This will reduce the domestic supply of gas and likely keep pressure on pricing. Natural gas prices correlate with the price of electricity.

**For these reasons, Satori Energy recommends the village execute a 36 month contract. Please request permission for the Director of Public Works to sign a street lighting contract at or below \$0.043/kWh.**

Thank you for your attention to this matter.

Sincerely,

Mollie VanderLaan  
Senior Consultant

# Village of Bartlett

## Electric Supply Pricing Proposal

QUOTE DATE:  
9/5/2023

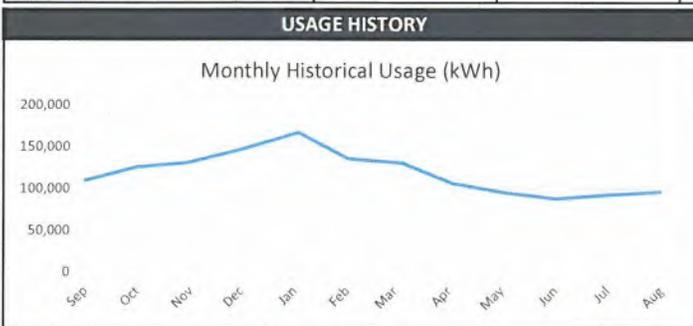


QUOTE INFORMATION	
Projected Start Date:	December 2023
Utility:	ComEd - IL
Number of Accounts:	1
Annual kWh:	1,425,883
Product Quoted:	Fixed

CURRENT PROVIDER INFORMATION	
Supply Provider:	Constellation
Electric Rate (\$/kWh):	\$0.02700
Annual Contract Expense:	\$38,499
Product:	Fixed
Contract End Date:	December 2023

MOST COMPETITIVE SUPPLY QUOTES						
Term Length	Rate (\$/kWh)	Supplier	Annual Contract Expense	Annual Impact (\$)	Annual Impact (%)	Total Contract Impact (\$)
12 Months	<b>\$0.04143</b>	Shell Energy	\$59,074	↑ \$20,575	↑ 53.4%	↑ \$20,575
18 Months	<b>\$0.04381</b>	Shell Energy	\$62,468	↑ \$23,969	↑ 62.3%	↑ \$35,954
24 Months	<b>\$0.04216</b>	Shell Energy	\$60,115	↑ \$21,616	↑ 56.1%	↑ \$43,233
36 Months	<b>\$0.04280</b>	Shell Energy	\$61,028	↑ \$22,529	↑ 58.5%	↑ \$67,587

QUOTE PRESENTATION						
Supplier	12 Months	18 Months	24 Months	36 Months	Credit Status	Bandwidth
Constellation	\$0.04255	\$0.04446	\$0.04299	\$0.04324	Approved	100%
Dynegy Energy Services	\$0.04463	\$0.04668	\$0.04526	\$0.04591	Approved	100%
Hudson Energy	\$0.04560	\$0.04720	\$0.04580	\$0.04610	Approved	100%
AEP Energy	\$0.04279	\$0.04439	\$0.04344	\$0.04394	Approved	100%
Aggressive Energy	\$0.04877	\$0.05004	\$0.04898	\$0.04919	Approved	100%
Shell Energy	<b>\$0.04143</b>	<b>\$0.04381</b>	<b>\$0.04216</b>	<b>\$0.04280</b>	Approved	100%
SmartestEnergy	\$0.05124	\$0.05171	\$0.05156	\$0.05212	Approved	100%



ACCOUNT INFORMATION			
Account Number	Service Address	Annual kWh	Usage %
2124118021	169 Regency Dr Lite Rt/25, Bartlett, IL 60103	1,425,883	100.0%

CAPACITY INFORMATION	
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

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.

### 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.