



# Agenda Item Executive Summary

Item Name    Natural Gas Purchase

Committee  
or Board    Board

## BUDGET IMPACT

Amount:    Varies

Budgeted    yes

List what  
fund            Various Village Funds

## EXECUTIVE SUMMARY

Our current natural gas contract agreement expires in November 2024 therefore, we are looking at finding the best time to bid out for natural gas 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 natural gas prices, our advisor is recommending a not-to-exceed approval for the account below:

- Less than or equal to \$0.48/therm for village Accounts

Based on preliminary pricing they have received from the suppliers, they believe we should be able to be less than this rate and save money in the long run. With this approval, our advisor will go out to bid for natural gas prices when the market looks favorable and we will be able to lock in the prices immediately. This is very similar to what was done the last time we went out for pricing for electric.

## ATTACHMENTS (PLEASE LIST)

Memo, Resolution, Satori Energy memo

## ACTION REQUESTED

- For Discussion Only
- Resolution**
- Ordinance
- Motion

## MOTION:

I move the Village Board approve Resolution 2023 - \_\_\_\_\_, a Resolution Approving of the Purchase of Natural Gas by the Village of Bartlett at a Price Not-to-Exceed \$0.48/therm.

Staff:            Dan Dinges, Director of Public Works

Date:            9/11/2023

# PUBLIC WORKS MEMO



DATE: September 11, 2023

TO: Paula Schumacher  
Village Administrator

FROM: Dan Dinges, PE  
Director of Public Works

SUBJECT: Natural Gas Purchase

Our franchise agreement with Nicor remains in place, thus the village receives an annual renewal payment towards natural gas use. Natural gas used for pump stations, the wastewater treatment plant, and Bartlett Hills is set at market rates. Fixing the cost of natural gas at a guaranteed market rate over the course of a contract helps us provide stability to our budgets for these accounts. This is very similar to what we do with our electric contracts.

Our current contract agreement expires in November 2024 therefore, we are looking at finding the best time to bid out for natural gas 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 natural gas prices, our advisor is recommending a not-to-exceed approval for the account below:

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## MOTION:

I move the Village Board approve Resolution 2023 - \_\_\_\_\_, a Resolution Approving of the Purchase of Natural Gas by the Village of Bartlett at a Price Not-to-Exceed \$0.48/therm.

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

**A RESOLUTION APPROVING OF THE PURCHASE OF NATURAL GAS  
BY THE VILLAGE OF BARTLETT AT A PRICE NOT TO EXCEED \$0.48/therm**

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**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 Natural Gas 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 \$0.48/therm for Village 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

ATTEST: Kevin Wallace, Village President

Lorna Gilles, 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 Gilles, Village Clerk



Re: Natural Gas Contract

The Village of Bartlett's natural gas contract is coming up for renewal in October 2024. The current contract rate is 46.5 cents/therm. New rates are projected to be between 48-50 cents/therm, which is a \$1,500-3,600 annual increase.

The current gas contract was signed in September 2021, as compared to 2019 for the electric contract. Hence, some of the market increase that the electric prices are experiencing now was already baked into the current gas price. For this reason, the increase isn't as substantial. However, it would be beneficial to mitigate it as much as possible.

Therefore, I recommend asking for permission to sign a renewal agreement anytime between now and 9/15/2024 for 48 cents/therm or below. The reason for this large time frame is because natural gas prices are extremely volatile. There may be a single point in time where we can catch a decrease in the market, but if Bartlett must wait for the next board meeting to approve it, the price could be gone by then.

Therefore, to maximize the chance of getting the best price, the best plan is to empower the Director of Public Works to respond directly to Satori Energy to secure the most advantageous price.

**Satori Energy recommends the village execute a 24 or 36 month contract. Please request permission to sign a contract at or below 48 cents/therm.**

Thank you for your attention to this matter.

Sincerely,

Mollie VanderLaan  
Senior Consultant

# Village of Bartlett

## Natural Gas Supply Pricing Proposal

QUOTE  
DATE:  
9/11/2023

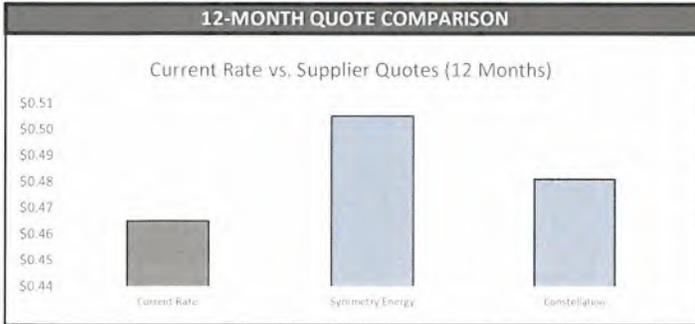


QUOTE INFORMATION	
Projected Start Date:	November 2024
Utility:	Nicor - IL
Number of Accounts:	26
Annual therms:	94,014
Product Quoted:	Fixed (Choice)

CURRENT PROVIDER INFORMATION	
Supply Provider:	Symmetry Energy
Natural Gas Rate (\$/therm):	\$0.4650
Annual Contract Expense:	\$43,717
Product:	Fixed (Choice)
Contract End Date:	October 2024

MOST COMPETITIVE SUPPLY QUOTES						
Term Length	Rate (\$/therm)	Supplier	Annual Contract Expense	Annual Impact (\$)	Annual Impact (%)	Total Contract Impact (\$)
12 Months	<b>\$0.4810</b>	Constellation	\$45,221	↑ \$1,504	↑ 3.4%	↑ \$1,504
18 Months	<b>\$0.4950</b>	Constellation	\$46,537	↑ \$2,820	↑ 6.5%	↑ \$4,231
24 Months	<b>\$0.4890</b>	Constellation	\$45,973	↑ \$2,256	↑ 5.2%	↑ \$4,513
36 Months	<b>\$0.5040</b>	Constellation	\$47,383	↑ \$3,667	↑ 8.4%	↑ \$11,000

QUOTE PRESENTATION						
Supplier	12 Months	18 Months	24 Months	36 Months	Credit Status	Bandwidth
Symmetry Energy	\$0.5050	\$0.5290	\$0.5150	\$0.5390	Approved	100%
Constellation	<b>\$0.4810</b>	<b>\$0.4950</b>	<b>\$0.4890</b>	<b>\$0.5040</b>	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 invoiced 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.

### 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 therms are 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
Nicor - IL	0075151000	798 Oneida, Bartlett, IL 60103	3,929	4.18%	November 2024
Nicor - IL	0089671000	224 S. Main St., Bartlett, IL 60103	453	0.48%	November 2024
Nicor - IL	0100381000	200 E. Stearns Rd., Bartlett, IL 60103	3,289	3.50%	November 2024
Nicor - IL	0242151000	1430 Brewster Creek Blvd., Bartlett, IL 60103	83	0.09%	November 2024
Nicor - IL	0931541000	1 W. Oneida, Bartlett, IL 60103	28,285	30.09%	November 2024
Nicor - IL	1679671000	271 N. Oak St., Bartlett, IL 60103	40	0.04%	November 2024
Nicor - IL	2724897652	535 W. Devon Ave., Bartlett, IL 60103	82	0.09%	November 2024
Nicor - IL	2937241000	2011 Westridge Blvd., Pump House, Bartlett, IL 60103	479	0.51%	November 2024
Nicor - IL	3775641000	207 W. Country Dr., Bartlett, IL 60103	64	0.07%	November 2024
Nicor - IL	4455796471	1791 Ariana Dr., Bartlett, IL 60103	336	0.36%	November 2024
Nicor - IL	4775641000	1150 Bittersweet Dr., Bartlett, IL 60103	2,380	2.53%	November 2024
Nicor - IL	4848741000	1150 Bittersweet Dr., Building C, Bartlett, IL 60103	5,545	5.90%	November 2024
Nicor - IL	5036641000	315 E. Devon Ave., Bartlett, IL 60103	89	0.09%	November 2024
Nicor - IL	5173541000	1561 Old Forge Dr., Bartlett, IL 60103	13	0.01%	November 2024
Nicor - IL	5450771000	140 E. Bartlett Ave., Bartlett, IL 60103	1,947	2.07%	November 2024
Nicor - IL	5777863951	901 W. Bartlett Rd., Bartlett, IL 60103	25	0.03%	November 2024
Nicor - IL	6126041000	1150 Bittersweet Dr., Bartlett, IL 60103	8,205	8.73%	November 2024
Nicor - IL	6480381000	1150 Bittersweet Dr., Bartlett, IL 60103	4,887	5.20%	November 2024
Nicor - IL	6532756511	100 W. Railroad Ave., Bartlett, IL 60103	365	0.39%	November 2024
Nicor - IL	6887655542	396 Blue Heron Way, Bartlett, IL 60103	34	0.04%	November 2024
Nicor - IL	7117743746	228 S. Main St., Bartlett, IL 60103	1,633	1.74%	November 2024
Nicor - IL	7480381000	1150 Bittersweet Dr., Bartlett, IL 60103	8,621	9.17%	November 2024
Nicor - IL	7532541000	1595 Petersdorf, Bartlett, IL 60103	76	0.08%	November 2024
Nicor - IL	7697348333	120 E. Railroad Ave., Bartlett, IL 60103	3,006	3.20%	November 2024
Nicor - IL	9732147682	222 Schick Rd., Bartlett, IL 60103	19	0.02%	November 2024
Nicor - IL	9779834106	228 S. Main St., Unit B, Bartlett, IL 60103	20,129	21.41%	November 2024