

COMED FRANCHISE
ACCOUNTS

VILLAGE OF OAK PARK

MAY 2026



OVERVIEW

Introductions	<ul style="list-style-type: none">▪ Individuals▪ Housekeeping, etc.
Conversion from Franchise Accounts to IMF	<ul style="list-style-type: none">▪ Franchise Accounts▪ Infrastructure Maintenance Fee▪ Transition Issues Raised by ComEd
Negotiating Objectives	<ul style="list-style-type: none">▪ Date of IMF Commencement▪ Franchise Account Cost Recovery Lag▪ Permits for ComEd
Discussion	<ul style="list-style-type: none">▪ Open

FRANCHISE ACCOUNTS AND INFRASTRUCTURE MAINTENANCE FEE

Approaches | Purpose | Transition

COMED COMPENSATION TO VILLAGE OF OAK PARK

- Option A: Ordinance Consideration (Credit)
 - Sometimes referred to as “Free” service for some accounts
 - Worth ~\$265k/year
 - Current approach
- Option B: Infrastructure Maintenance Fee (Payment)
 - Cash payments to the City
 - Would be ~\$265k/year
 - Can be selected by Ordinance



Municipality
Allows expedited access to utility infrastructure

- A Access to public rights-of-way and easements to allow for system operations
- B Compensation (Ordinance Consideration – or – Infrastructure Maintenance Fee)



Utility
Commits to a level of performance and payment of fees

ORDINANCE CONSIDERATION

- Bill Credits to Village account to yield a \$0 monthly bill
 - Non-revenue generating facilities (e.g., Village Hall, Public Works)
 - Most common among municipalities
- Implications
 - Disincentivizes efficiency
 - Disincentivizes DG (Solar), storage, demand response



Municipality
Non-Revenue
Generating Village
Facilities

A Access to public rights-of-way and easements to allow for system operations

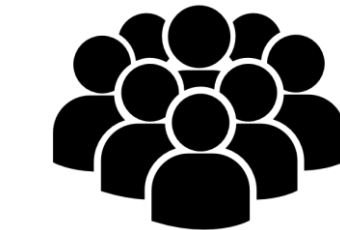


B Compensation (**Bill Credits**)



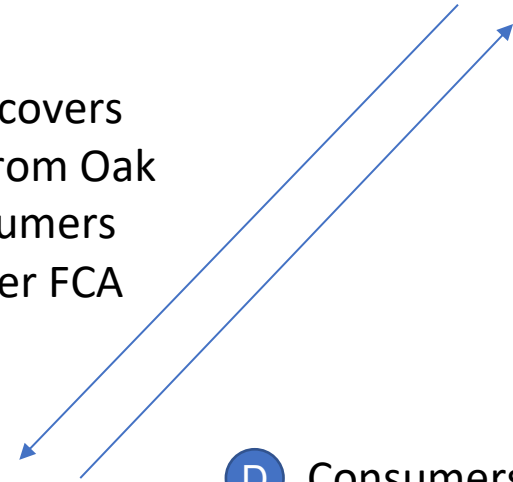
Utility
Issues Credits so that monthly bill = \$0

C ComEd recovers its costs from Oak Park consumers under Rider FCA



Consumers
Pay Utility Bills

D Consumers pay ComEd the value of the **Bill Credits** issued to the Village



INFRASTRUCTURE MAINTENANCE FEE

- Cash Payment
 - Level is set by the City subject to a statutory cap
- Implications
 - ComEd provide the Village with a “budget” for electricity supply for a portion of the City’s accounts portfolio
 - Village can secure lower cost energy, implement EE and DG options, and other measures to reduce the actual cost of energy for Village facilities to generate net positive cash flows



Municipality
General Revenue

A Access to public rights-of-way and easements to allow for system operations



B Compensation (Cash Payment)



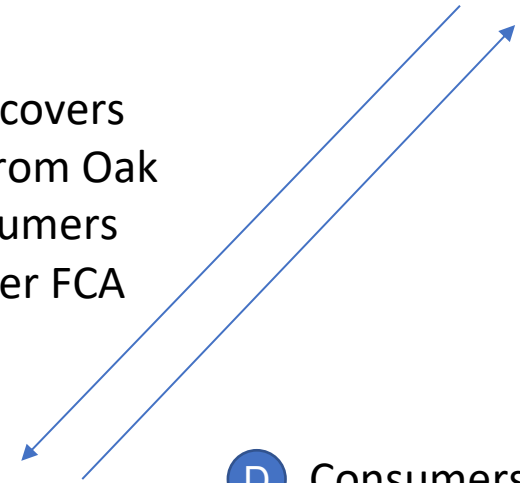
Utility
Issues Payments = Credits for prior 12 months

C ComEd recovers its costs from Oak Park consumers under Rider FCA



Consumers
Pay Utility Bills

D Consumers pay ComEd the value of the Cash Payments issued to the Village



IMPLICATIONS

- Ordinance Consideration
 - Disincentivizes investment in sustainable practices
 - DG (Solar)
 - Storage,
 - Demand Response
 - Energy Efficiency
 - Community Solar

- Infrastructure Maintenance Fee
 - Incentivizes investment in sustainable practices
 - DG (Solar)
 - Storage,
 - Demand Response
 - Energy Efficiency
 - Retail Energy Supply

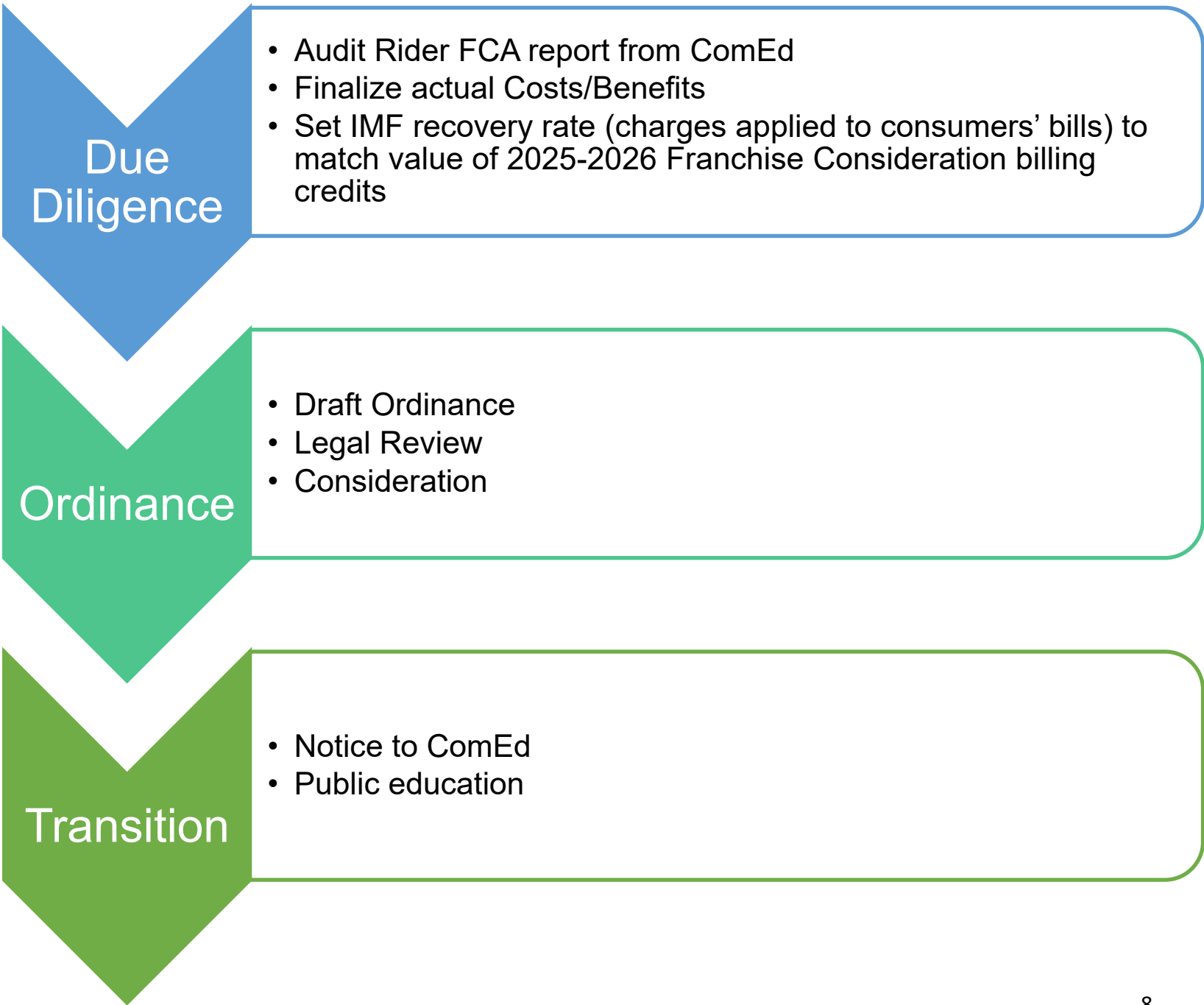
Ordinance Consideration and Infrastructure Maintenance Fee Present Different Incentives

BUSINESS AS USUAL			
Variable	Math	Ordinance Consideration	Infrastructure Maintenance Fee
Cost of Electric Service	A	\$100,000	\$100,000
Compensation from ComEd	B	-\$100,000	-\$100,000
Net Cost to Village	C = A + B	\$0	\$0

SCENARIO: ROOFTOP SOLAR			
Variable	Math	Ordinance Consideration	Infrastructure Maintenance Fee
Cost of Electric Service	A	\$100,000	\$100,000
Cost Reduction from Solar	B	-\$35,000	-\$35,000
Cost of Solar Array	C	\$25,000	\$25,000
Compensation from ComEd	D = A + B	-\$65,000	-\$100,000
Net Cost to Village	E = A + B + C	\$25,000	-\$10,000

MECHANICS

- Action Required
 - Due Diligence
 - Ordinance
 - Transition



TRANSITION: FRANCHISE ACCOUNT COST RECOVERY LAG

- Issue
 - ComEd recovers Ordinance Consideration costs 12-18 months in arrears
 - ComEd recovers Infrastructure Maintenance FEE (IMF) costs concurrently
 - Converting from Ordinance Consideration to IMF payments will result in consumers paying both fees for ~18 months
 - Cost for average single-family account is \$2.65/month
 - Cost for average Multi-family account is \$1.52/month

Scenario: Village receives its last Ordinance Consideration Credits in December 2026	Single Family Residential Account			
	Ordinance Consideration Cost Recovery (pre-December 2026)	Infrastructure Maintenance Fee (IMF) Cost Recovery*	Average Monthly Cost for Consumer (Transition Period)	Net Monthly Cost Increase for Consumer (Transition Period)
December-26	\$2.65	\$0.00	\$2.65	\$0.00
January-27	\$2.65	\$2.65	\$5.30	\$2.65
February-27	\$2.65	\$2.65	\$5.30	\$2.65
March-28	\$2.65	\$2.65	\$5.30	\$2.65
April-28	\$2.65	\$2.65	\$5.30	\$2.65
May-28	\$2.65	\$2.65	\$5.30	\$2.65
June-28	\$2.65	\$2.65	\$5.30	\$2.65
July-27	\$2.65	\$2.65	\$5.30	\$2.65
August-27	\$2.65	\$2.65	\$5.30	\$2.65
September-27	\$2.65	\$2.65	\$5.30	\$2.65
October-27	\$2.65	\$2.65	\$5.30	\$2.65
November-27	\$2.65	\$2.65	\$5.30	\$2.65
December-27	\$2.65	\$2.65	\$5.30	\$2.65
January-28	\$2.65	\$2.65	\$5.30	\$2.65
February-28	\$2.65	\$2.65	\$5.30	\$2.65
March-28	\$2.65	\$2.65	\$5.30	\$2.65
April-28	\$2.65	\$2.65	\$5.30	\$2.65
May-28	\$2.65	\$2.65	\$5.30	\$2.65
June-28	\$2.65	\$2.65	\$5.30	\$2.65
July-28	\$0.00	\$2.65	\$2.65	\$0.00
	\$50.35	\$50.35	\$100.70	\$47.70

* Assumes that cost recovery for IMF will be roughly equal to that for Ordinance Consideration

TRANSITION: FRANCHISE ACCOUNT COST RECOVERY LAG

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 - Cost for average Multi-family account is \$1.52/month

Scenario: Village receives its last Ordinance Consideration Credits in December 2026	Multi Family Residential Account			
	Ordinance Consideration Cost Recovery (pre-December 2026)	Infrastructure Maintenance Fee (IMF) Cost Recovery*	Average Monthly Cost for Consumer (Transition Period)	Net Monthly Cost Increase for Consumer (Transition Period)
December-26	\$1.52	\$0.00	\$1.52	\$0.00
January-27	\$1.52	\$1.52	\$3.04	\$1.52
February-27	\$1.52	\$1.52	\$3.04	\$1.52
March-28	\$1.52	\$1.52	\$3.04	\$1.52
April-28	\$1.52	\$1.52	\$3.04	\$1.52
May-28	\$1.52	\$1.52	\$3.04	\$1.52
June-28	\$1.52	\$1.52	\$3.04	\$1.52
July-27	\$1.52	\$1.52	\$3.04	\$1.52
August-27	\$1.52	\$1.52	\$3.04	\$1.52
September-27	\$1.52	\$1.52	\$3.04	\$1.52
October-27	\$1.52	\$1.52	\$3.04	\$1.52
November-27	\$1.52	\$1.52	\$3.04	\$1.52
December-27	\$1.52	\$1.52	\$3.04	\$1.52
January-28	\$1.52	\$1.52	\$3.04	\$1.52
February-28	\$1.52	\$1.52	\$3.04	\$1.52
March-28	\$1.52	\$1.52	\$3.04	\$1.52
April-28	\$1.52	\$1.52	\$3.04	\$1.52
May-28	\$1.52	\$1.52	\$3.04	\$1.52
June-28	\$1.52	\$1.52	\$3.04	\$1.52
July-28	\$0.00	\$1.52	\$1.52	\$0.00
	\$28.88	\$28.88	\$57.76	\$27.36

* Assumes that cost recovery for IMF will be roughly equal to that for Ordinance Consideration

TRANSITION: COST RECOVERY STRUCTURE

ComEd recovers costs for Franchise Consideration credits by applying a rate (%) to each consumer’s monthly Delivery Charges

FRANCHISE COST PERCENTAGES

(Continued from Informational Sheet No. 14)

Municipality	FC% Applicable Beginning with the June 2022 Monthly Billing Period and Extending Through the May 2023 Monthly Billing Period (2)	FC% Applicable Beginning with the June 2023 Monthly Billing Period and Extending Through the May 2024 Monthly Billing Period (2)
NORTHBROOK	2.745%	2.149%
NORTHFIELD	2.242%	2.207%
NORTHLAKE	1.017%	0.864%
OAK FOREST	1.749%	1.677%
OAK LAWN	3.117%	2.727%
OAK PARK	5.003%	4.762%
OAKBROOK	2.582%	2.399%

ComEd recovers costs for Infrastructure Maintenance Fees payments through volumetric charge to each consumer’s monthly consumption

RIDER FCA FRANCHISE COST ADDITIONS

(Continued from Sheet No. 249)

INFRASTRUCTURE MAINTENANCE FEE TABLE PER KILOWATT-HOUR ADDITIONS

Municipality	Cents per kilowatt-hour (¢/kWh)									
	A	B	C	D	E	F	G	H	I	J
Chicago	0.530	0.350	0.310	0.305	0.300	0.280	0.275	0.270	0.265	0.260
Evanston	0.130	0.048	0.045	0.044	0.043	0.042	0.040	0.035	0.009	0.009

Legend

- A:** for the first 2,000 kWh delivered in the monthly billing period
- B:** for the next 48,000 kWh delivered in the monthly billing period
- C:** for the next 50,000 kWh delivered in the monthly billing period
- D:** for the next 400,000 kWh delivered in the monthly billing period
- E:** for the next 500,000 kWh delivered in the monthly billing period
- F:** for the next 2,000,000 kWh delivered in the monthly billing period
- G:** for the next 2,000,000 kWh delivered in the monthly billing period
- H:** for the next 5,000,000 kWh delivered in the monthly billing period
- I:** for the next 10,000,000 kWh delivered in the monthly billing period
- J:** for all over 20,000,000 kWh delivered in the monthly billing period

CONCLUSIONS

- Potential Benefits
- Consumer Impacts

Ordinance Consideration and Infrastructure Maintenance Fee are both standard options for the Village

- **Potential Benefits**
 - Converts ~\$245k/year in billing credits into direct payments
 - Incentivizes investments in energy efficiency, rooftop solar
 - Can be implemented by Ordinance
 - Does not require re-opening Franchise Agreement with ComEd
 - Can be deployed within 3-4 months
- **Consumer Impacts**
 - Duplicate charges for ~18 months during Transition Period
 - Different line item on monthly ComEd bill

DISCUSSION

Questions | Next Steps