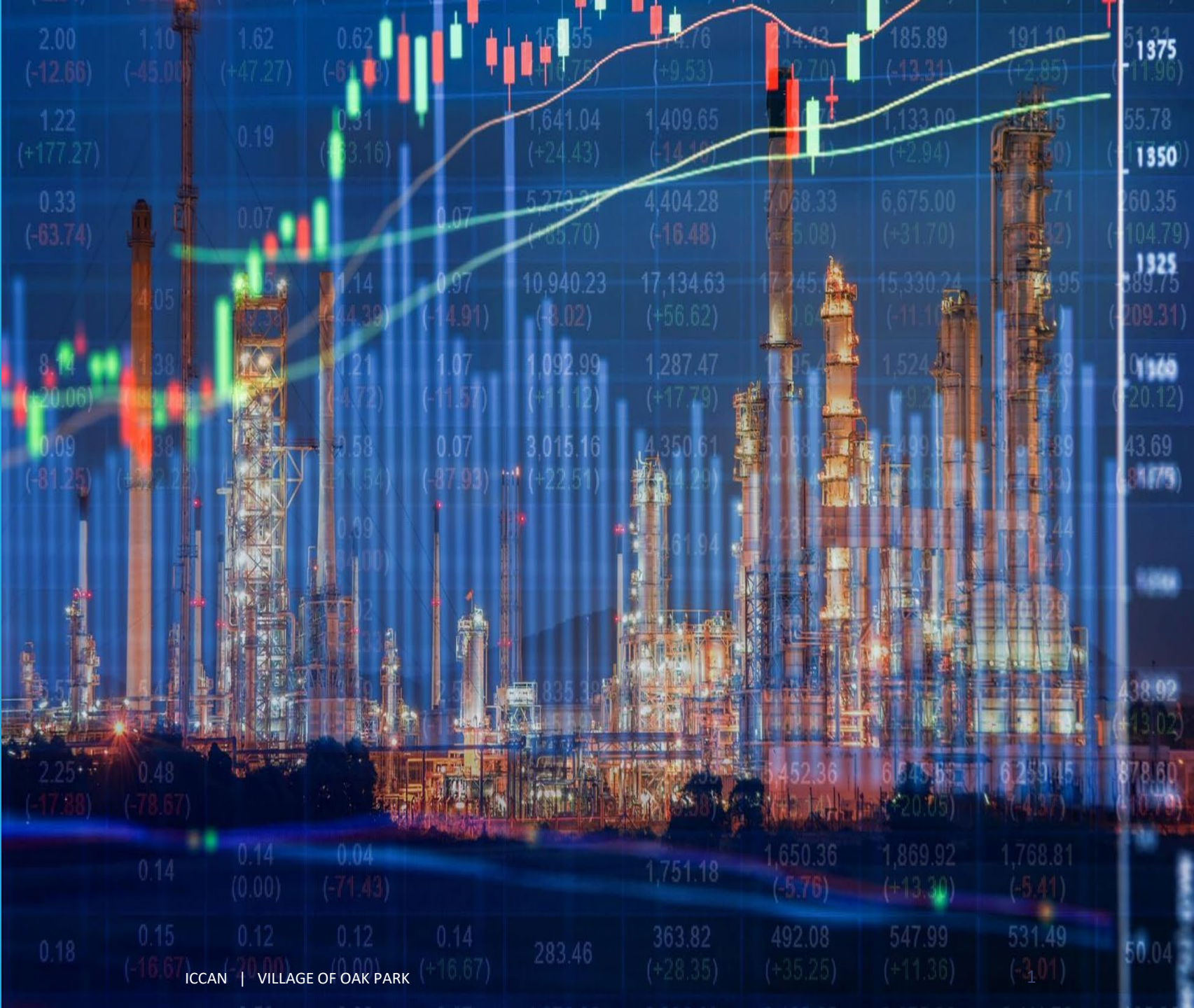


# Energy Options for the Village of Oak Park

Proposed Initiatives to Support  
Village Sustainability Planning

Oak Park, Illinois

September 2023



# AGENDA

## SCOPE

- Premise
- Approach

## OPTIONS

- Franchise Agreement with ComEd
- Renewable Energy Generation for Municipal Facilities
- Renewable Energy Supply for Municipal Facilities
- Renewable Energy Supply for Municipal Aggregation

## DISCUSSION

- Open

## Premise

### Village Sustainability Plan

#### Emissions Reduction Goals:

- Fuel consumption (Scope 1)
- Electricity consumption (Scope 2)

## Approach

### Renewable Energy for Village Facilities

- Franchise Accounts
- Distributed Generation
- Supply Contract

### Renewable Energy for Village Programs

- Municipal Aggregation
- Saefar
- aeraer

# Village's Compensation under its Franchise Agreement

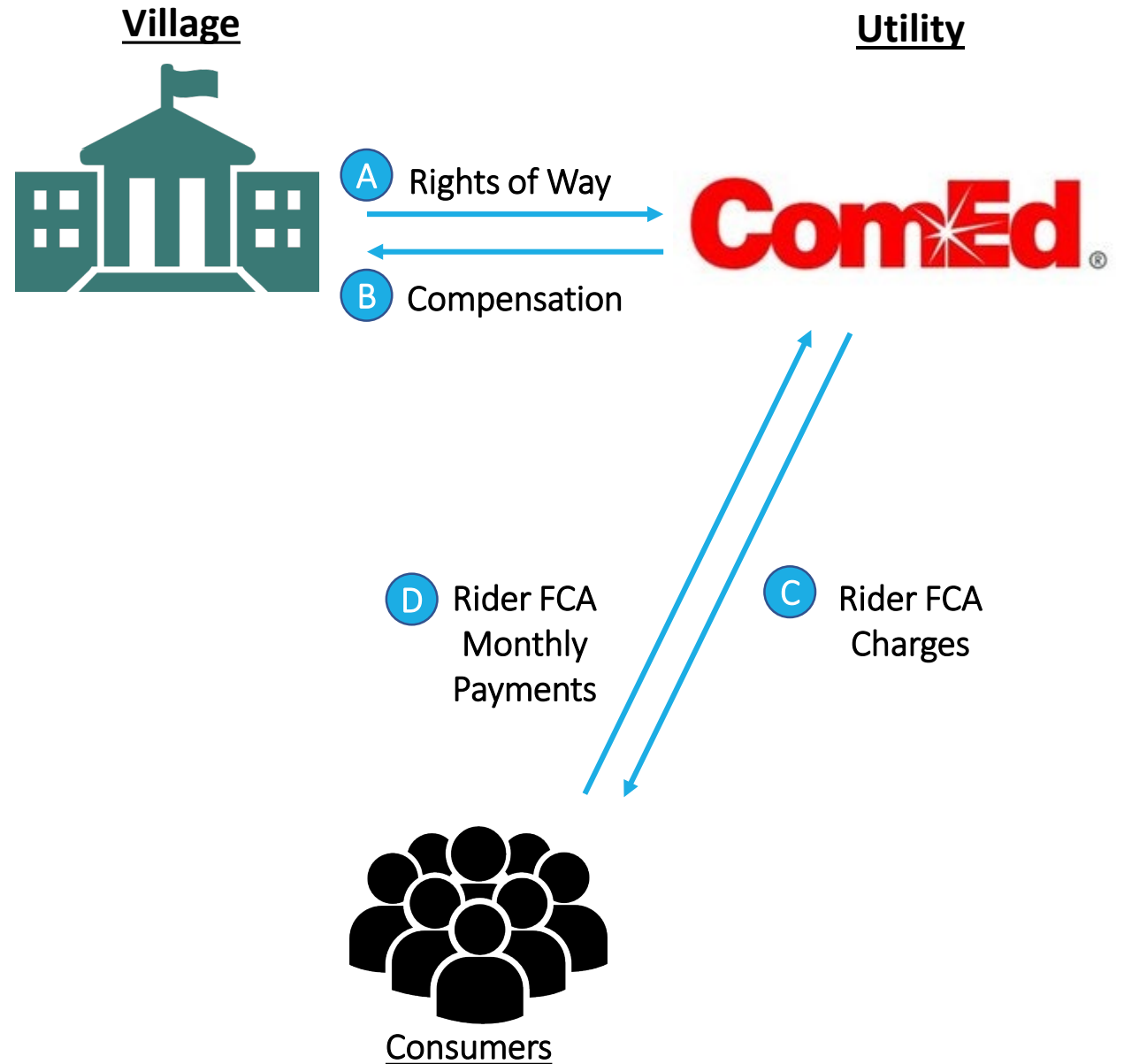
## OPTIONS

Franchise Agreement with ComEd

Renewable Energy Generation for Municipal Facilities

Renewable Energy Supply for Municipal Facilities

Renewable Energy Supply for Municipal Aggregation



# Compensation Options from ComEd

## OPTIONS

Franchise Agreement with ComEd

Renewable Energy Generation for Municipal Facilities

Renewable Energy Supply for Municipal Facilities

Renewable Energy Supply for Municipal Aggregation

<u>ORDINANCE CONSIDERATION</u>	<u>DIRECT PAYMENT</u>
<ul style="list-style-type: none"><li>▪ “Free” electricity for qualified municipal accounts</li><li>▪ Monthly utility bills contain a line-item credit (“Ordinance Consideration”)</li><li>▪ Credit = All Monthly Charges yielding a “zero” bill amount due</li><li>▪ Only available for “Non-Revenue Generating”:<ul style="list-style-type: none"><li>- City/Village/Town Hall</li><li>- Public Works</li><li>- Fire Stations</li><li>- Police Stations</li></ul></li></ul>	<ul style="list-style-type: none"><li>▪ Direct Payment to municipality from the utility</li><li>▪ Targeted annual value of payments is calculated by ComEd subject to the tariff</li><li>▪ Monthly payments</li></ul>

# Village has Opted for “Free” Energy from ComEd

## OPTIONS

Franchise Agreement with ComEd

Renewable Energy Generation for Municipal Facilities

Renewable Energy Supply for Municipal Facilities

Renewable Energy Supply for Municipal Aggregation



Page 1 of 2

### Visit ComEd.com

#### Customer Service / Power Outage

English  
1.877.4COMED1 (1.877.426.6331)

Español  
1.800.95.LUCES (1.800.955.8237)

Hearing/Speech Impaired  
1.800.572.5789 (TTY)

### Your Usage Profile 13-Month Usage (Total kWh)



#### Electric Usage

Month	kWh
Sep-18	614
Oct-18	589
Nov-18	507
Dec-18	572
Jan-19	558
Feb-19	569
Mar-19	513
Apr-19	521
May-19	537
Jun-19	610
Jul-19	539
Aug-19	583
Sep-19	668

#### Average Daily

Month Billed	kWh	Temp
Last Year	21.2	76
Last Month	19.4	76
Current Month	20.9	73

### Bill Summary

Previous Balance	\$0.00
Total Payments	\$0.00
<b>No Payment is Due</b>	<b>\$0.00</b>

### Meter Information

Read Dates	Meter Number	Load Type	Reading Type	Previous	Meter Reading Present	Difference	Multiplier X	Usage
8/2-9/3	[REDACTED]	General Service	Total kWh	19396 Actual	20064 Actual	668	1	668

Service from 8/2/2019 to 9/3/2019 - 32 Days

Commercial - Watt-hour

### Electricity Supply Services

**\$44.89**

Electricity Supply Charge	668 kWh	X	0.05620	37.54
Transmission Services Charge	668 kWh	X	0.01107	7.39
Purchased Electricity Adjustment				-0.04

### Delivery Services - ComEd

**\$34.63**

Customer Charge				17.22
Standard Metering Charge				4.04
Distribution Facilities Charge	668 kWh	X	0.01880	12.56
IL Electricity Distribution Charge	668 kWh	X	0.00121	0.81

### Taxes and Other

**-\$79.52**

Environmental Cost Recovery Adj	668 kWh	X	0.00021	0.14
Renewable Portfolio Standard	668 kWh	X	0.00189	1.26
Zero Emission Standard	668 kWh	X	0.00190	1.27
Energy Efficiency Programs	668 kWh	X	0.00086	0.57
Ordinance Consideration				-82.76

### Total Current Charges

**\$0.00**

For Electric Supply Choices visit  
[pluginillinois.org](http://pluginillinois.org)

(continued on next page)

# “Free” Energy from ComEd is 42% of cost & 73% of volume for Village’s facilities

## OPTIONS

Franchise Agreement with ComEd

Renewable Energy Generation for Municipal Facilities

Renewable Energy Supply for Municipal Facilities

Renewable Energy Supply for Municipal Aggregation

ACCOUNT TYPE	ANNUAL VALUES			ORDINANCE CONSIDERATION	
	ANNUAL CONSUMPTION (kWh)	ANNUAL COST	AVERAGE COST (\$/kWh)	ANNUAL VOLUME (kWh)	ANNUAL VALUE
FACILITIES	7,176,374	\$782,504	\$0.1090	5,506,766	\$356,100
STREET LIGHTING	291,697	\$23,868	\$0.0818	0	\$0
OTHER	121,125	\$43,676	\$0.3606	0	\$0
<b>TOTAL</b>	<b>7,589,196</b>	<b>\$850,049.45</b>	<b>\$0.1120</b>	<b>5,506,766</b>	<b>\$356,100</b>
<b>% of Annual Volume &amp; Consumption</b>				<b>72.5%</b>	<b>41.9%</b>

## OPTIONS

### Franchise Agreement with ComEd

Renewable Energy Generation for Municipal Facilities

Renewable Energy Supply for Municipal Facilities

Renewable Energy Supply for Municipal Aggregation

“Free” Energy from ComEd undermines the economic incentive to reduce consumption, install renewables or otherwise reduce emissions at Village facilities

<u>ORDINANCE CONSIDERATION</u>	<u>DIRECT PAYMENT</u>
<ul style="list-style-type: none"><li>▪ Always settles to \$0<ul style="list-style-type: none"><li>- Lower Charges = Lower Credits</li></ul></li><li>▪ No direct incentive for municipality to reduce consumption or costs:<ul style="list-style-type: none"><li>- Community Solar</li><li>- Rooftop solar</li><li>- Battery storage</li><li>- Energy efficiency</li></ul></li></ul>	<ul style="list-style-type: none"><li>▪ Maintains a constant value<ul style="list-style-type: none"><li>- Lower Charges = Same Revenue</li></ul></li><li>▪ Direct incentive for municipality to reduce consumption or costs:<ul style="list-style-type: none"><li>- Community Solar</li><li>- Rooftop solar</li><li>- Battery storage</li><li>- Energy efficiency</li></ul></li></ul>

*Converting to Direct Payment for Franchise Facilities could provide the Village up to \$350,000/year in payments from ComEd*



## OPTIONS

Franchise Agreement with ComEd

Renewable Energy Generation for Municipal Facilities

Renewable Energy Supply for Municipal Facilities

Renewable Energy Supply for Municipal Aggregation

Rooftop solar on large Village facilities (like Public Works) won't offset any costs and would represent a pure cost addition



*Converting to Direct Payment for Franchise Facilities would help fund renewable energy deployments at large Village facilities*

# Village Electricity Accounts have a range of new renewable energy options

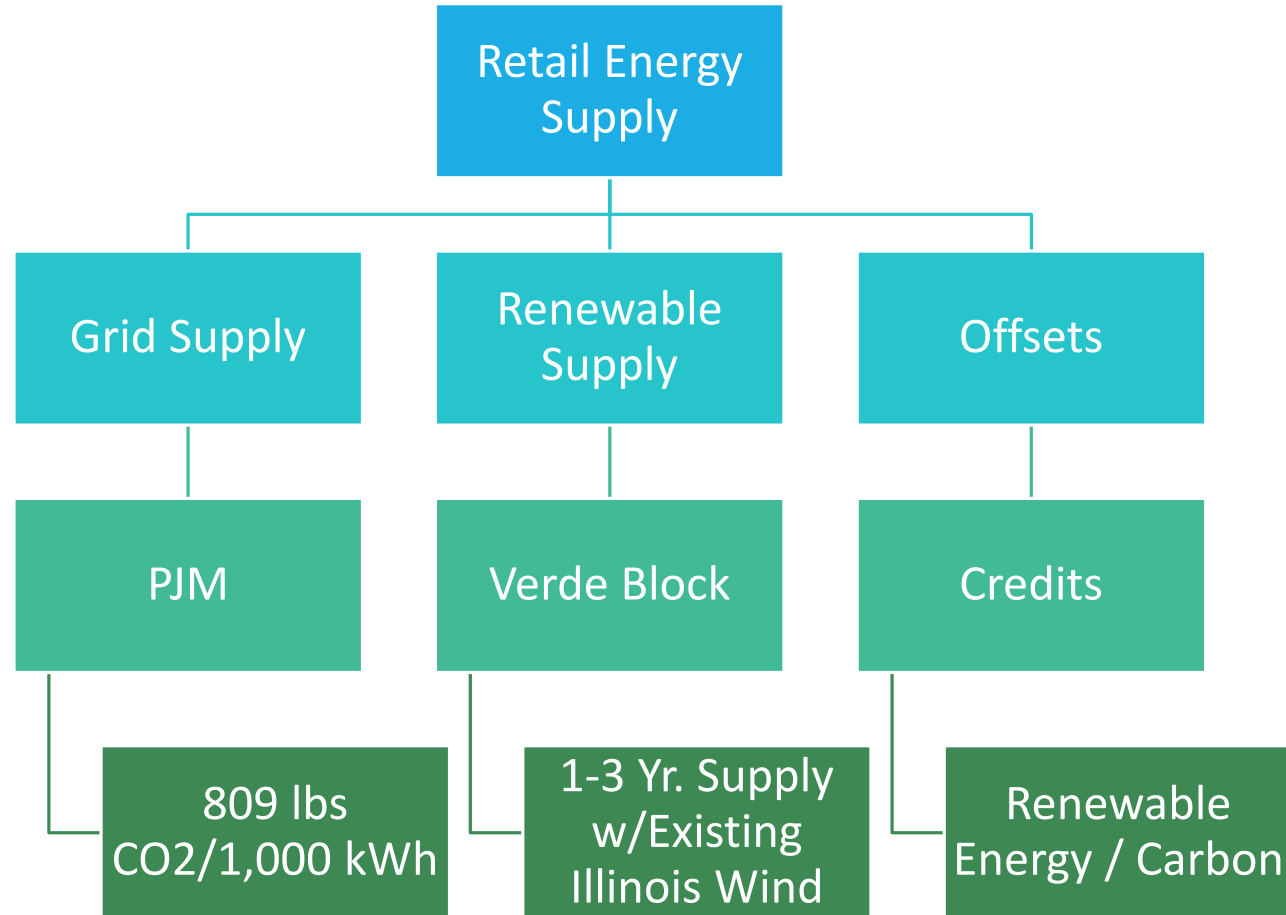
## OPTIONS

Franchise Agreement with ComEd

Renewable Energy Generation for Municipal Facilities

Renewable Energy Supply for Municipal Facilities

Renewable Energy Supply for Municipal Aggregation



*Converting to Direct Payment for Franchise Facilities would allow the Village to purchase renewable energy supply / offsets for all facilities*

# RENEWABLE ENERGY SUPPLY FOR MUNICIPAL AGGREGATION

	Typical Renewable Power Contract	Joule Community Power Contract
<b>Term</b>	15-20 years	5+ years with offramps
<b>Size</b>	Single project to meet 75-100% of total consumption	Multiple projects to layer supply over time
<b>Counterparty</b>	Consumer	Retail Energy Supplier and/or Municipality
<b>Credit</b>	Investment Grade Commercial	Alternative Credit Allowed
<b>Benefits</b>	<ul style="list-style-type: none"> <li>▪ Long term price stability</li> <li>▪ Supports renewable generation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Shorter commitments/more flexibility</li> <li>▪ Can include local and regional supply</li> <li>▪ Municipality maintains control</li> </ul>
<b>Challenges</b>	<ul style="list-style-type: none"> <li>▪ Long term commitment</li> <li>▪ Price premium</li> </ul>	<ul style="list-style-type: none"> <li>▪ Different than Aggregation 1.0 and 2.0</li> <li>▪ Requires planning and active management by Joule</li> </ul>

*Converting the Village’s Municipal Aggregation program could support new regional solar development*

## DISCUSSION AND QUESTIONS

### Key Points

- Village has new sustainability goals
- Emissions profiles for Village facilities and residents can be improved with increased renewable energy development
- “Free” electricity for Village facilities accounts for over 72% of electricity consumption by Village operations
  - Removes financial incentives for investments in efficiency and renewable energy assets
  - Could be converted to a direct payment structure that could provide the Village with up to \$350,000 per year
- New renewable energy contracting mechanism created for use by municipal aggregation programs in New York can be applied in Illinois
  - Reduces commitments from 20 years to 5 years
  - Can build volumes over time

## RECOMMENDATIONS

### Requested Authorization

- Franchise Accounts
  - Interact with ComEd to identify value of Direct Payment option
  - Draft ordinance to convert from “free” electricity to Direct Payment (for consideration by the Board)
- Municipal Aggregation Program
  - Execute a Letter of Interest to allow Joule Assets and ICCAN to evaluate the feasibility of a renewable energy supply for the Village’s municipal aggregation program

# THANK YOU

## **Mark Pruitt**

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