

COMMUNITY ENERGY PROGRAMS UPDATE

Status Report and
Outlook for
Community Energy
Programs for the
Village of Oak Park

March 11, 2025

ICCAN | MC Squared Energy Services

Agenda

- **Introductions**
- Background
- Program Status
- Market Outlook & Options
- Discussion

ICCAN

- Mark Pruitt, Principal
- Advisor to the Village's Municipal Aggregation, Community Solar, and Village facility energy supply
- Former Director of the Illinois Power Agency

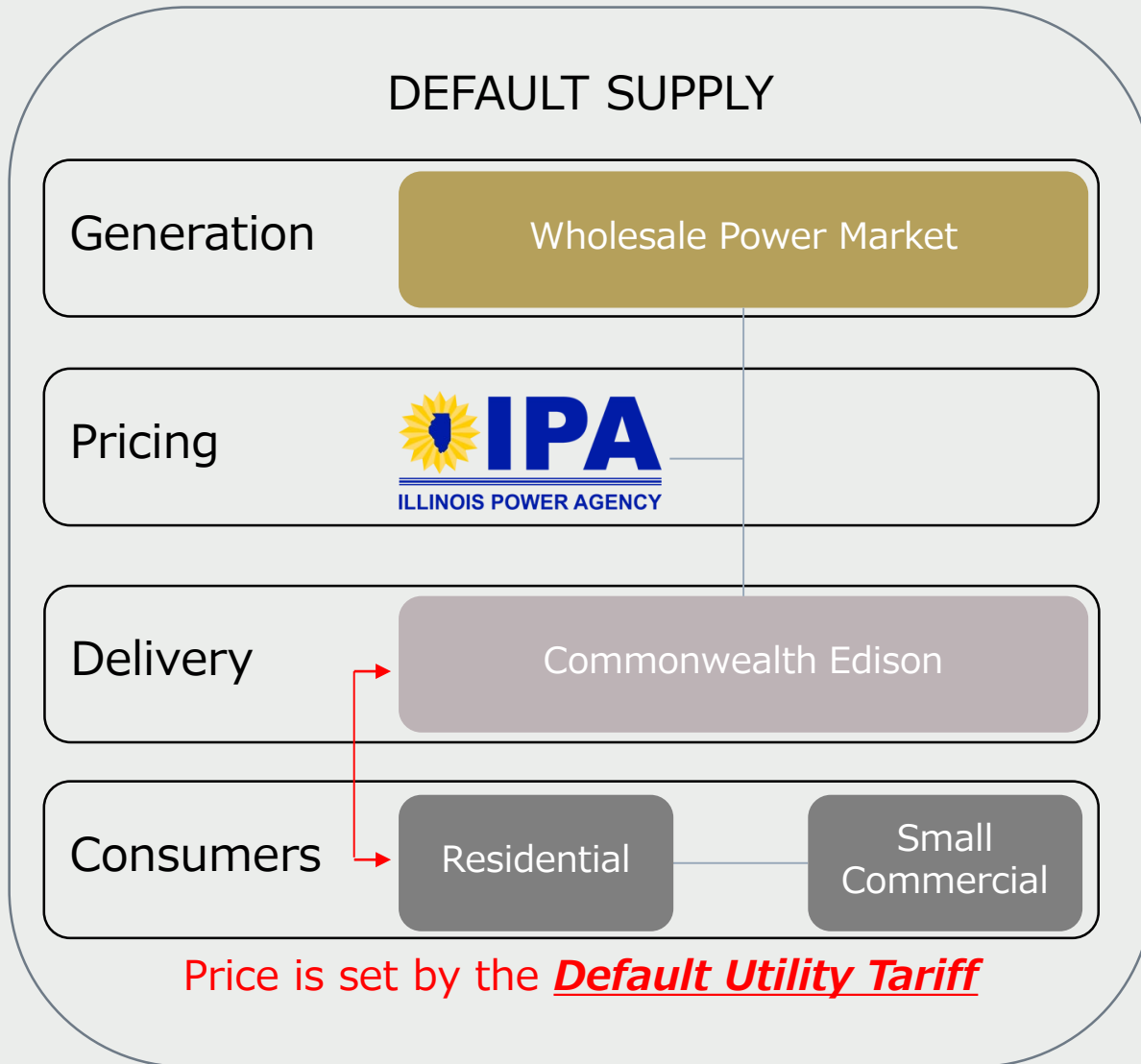
MC SQUARED ENERGY SERVICES

- Sharon Alegado, VP of Sales and marketing
- Supplier to the Village's Municipal Aggregation, Program Manager for Community Solar programs
- 13 years with MC Squared Energy Services

Background

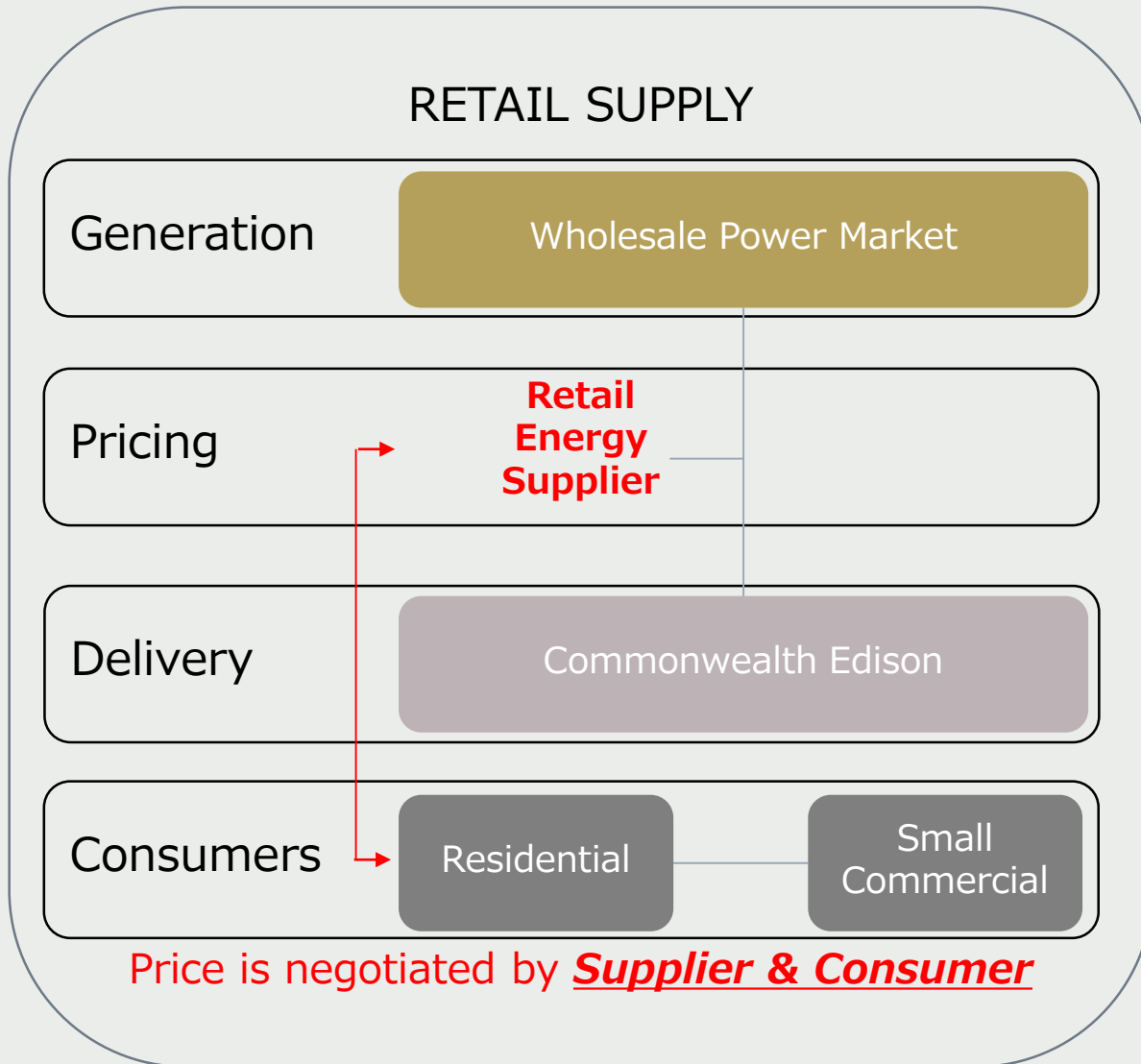
Community Energy Programs

Background: Default Supply



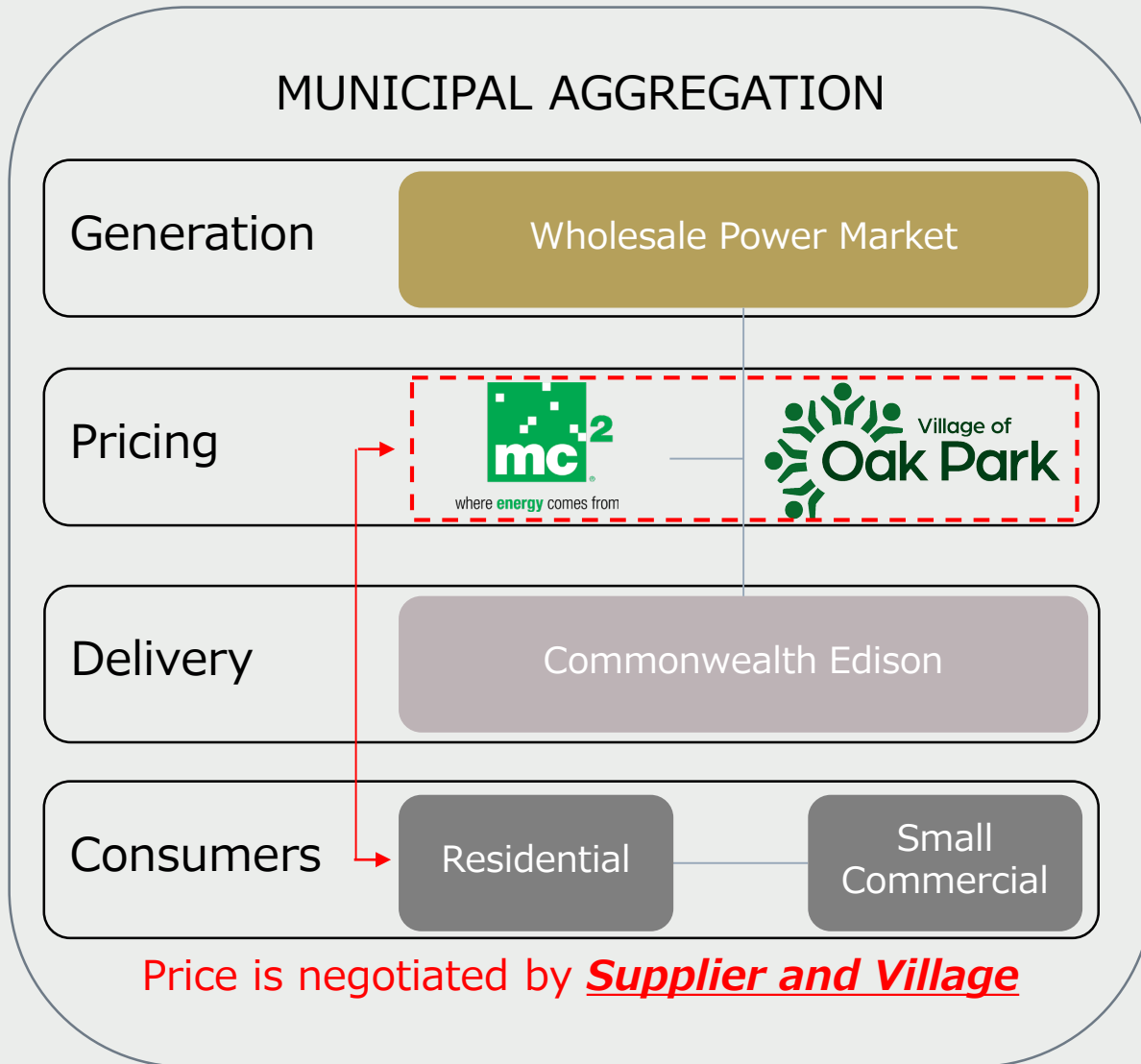
- Consumer does not select a supplier
- IPA uses a staggered procurement process to secure supply for default rate customers
- IPA contracts are typically 1-3 years in duration
- Illinois Commerce Commission approves Default Rates for consumers
- Residents may leave the default rate at any time without penalty with adequate notice (<30 days)

Background: Retail Supply



- Supplier offers consumer a supply rate and contract terms
- Consumer can accept or reject the supplier's offers
- Supply contracts are typically 1 year or shorter in duration
- **Renewal pricing often much higher than utility tariff rate**
- Residents may terminate the supply contract without incurring a termination fee

Background: Municipal Aggregation



- Municipality chooses the supplier
- Municipality and supplier negotiate price and service requirements
- Contracts are typically 1-3 years in duration
- Residents that do not reject the offer are enrolled in the contract with the supplier
- Residents can terminate their contract at any time for any reason
- Municipality is not a party to the supply contracts

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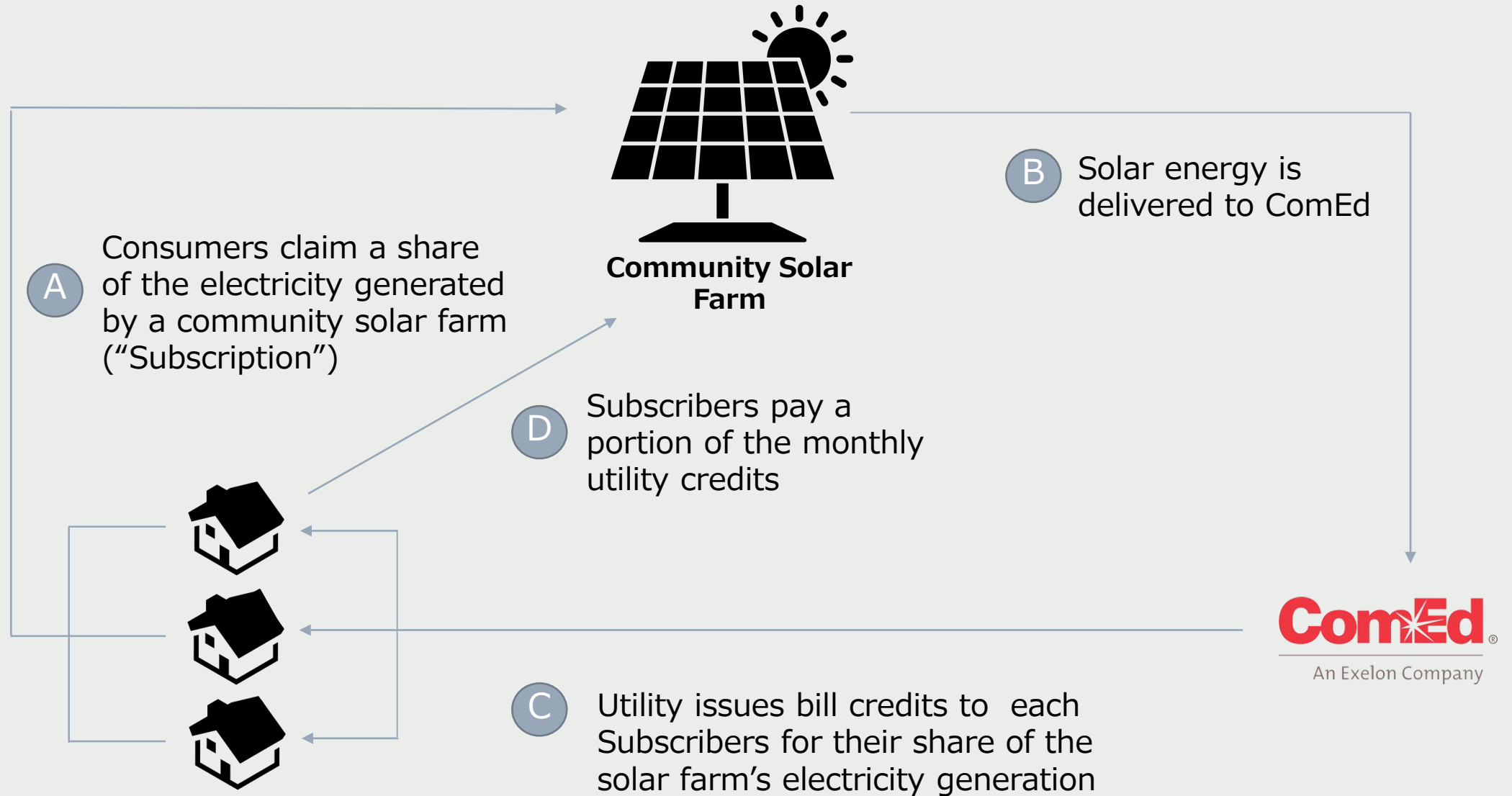
MUNICIPAL AGGREGATION 1.0

- **Price** – Set on the day the contract is signed
- **Participation** – All consumers receive the price offer and consumers may “opt-out”
- **Program Options** – Purchase RECs, added fee
- **Constraints** – Program price > ComEd price

MUNICIPAL AGGREGATION 2.0

- **Price** – Matches the variable monthly ComEd price
- **Participation** – Eligible consumers pay the same the pricing (utility match) and may opt-out or in the program
- **Options** – Monthly civic contribution to Oak Park
- **Constraint** – # accounts served = market conditions

Background: Community Solar



Program Status

Results of the Village's Municipal
Aggregation and Community Solar
Programs

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MUNICIPAL AGGREGATION

- **Eligible Portfolio:**
 - 25,000 Accounts / 180,000,000 kWhs Annual
- **Served Portfolio:**
 - 11,700 Accounts / 88,000,000 kWhs Annual
 - 49% of Eligible Load
- **Municipal Contribution:**
 - \$2,500 Monthly base (@ 5,000 accounts) plus \$0.50 per account above monthly base
 - Contribution Since Dec. 2018 = \$1.8 Million
- **Program Outreach Timing** – Twice a year
- **Contract Timeline** – December 2025 Expiration (should begin reviewing July/August 2025)

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COMMUNITY SOLAR PROGRAM

- **Marketing Outreach:**
 - Postcard Mailings – December 2020
 - Oak Park Farmers Market –June 2022
 - Oak Park Microbrew Sponsorship - August 2023 and August 2024
- **Served Portfolio** – 398 Residents Subscribed
- **Results:**
 - Eight (8) Community Solar Projects supported
 - \$1.1 Million total bill credits issued by ComEd
 - \$220,000 bill credits retained by Subscribers
 - 14,000,000 kWhs of energy from new solar resources delivered to the ComEd grid

Market Outlook & Options

Potential Options for the Village's
Municipal Aggregation and
Community Solar Programs

Market Outlook and Opportunities

Program	Market Outlook	Opportunities for Oak Park
Municipal Aggregation	<ul style="list-style-type: none">• Growing regional energy demand (datacenters, etc.)• Higher capacity prices (PJM)• Higher natural gas prices• Baseload generation retirements• Slower-than-expected renewable energy deployments• Slow movement on battery storage incentives <p>Rising ComEd rates (starting in June 2025)</p>	<ul style="list-style-type: none">• Change in the underlying cost to serve aggregation customers• More accounts expected to be served through the aggregation program 2nd half 2025 into 2026• Increased accounts means more civic funds to the Village from MC2• Fresh opt-out enrollment process to coincide with change in ComEd rates <p>Increase in Municipal Contribution (after ComEd rate increase)</p>

Outlook and Opportunities

Program	Market Outlook	Opportunities for Oak Park
Community Solar	<ul style="list-style-type: none">• More community solar projects coming online in 2025-2026 after Covid and funding delays• 50% of all subscriptions from new community solar projects must be reserved for “small subscribers”• Community solar incentive levels are scheduled for reductions now and on a going-forward basis• ComEd billing improvements may alleviate dual payment system <p>Increasing Supply of Community Solar Resources for ComEd Customers</p>	<ul style="list-style-type: none">• New community solar farms means that wait-list customers can be served• Also, new marketing and outreach can begin• Online enrollments can continue• Subscribers’ share of monthly billing credits likely to fall from 20% to ~10%• Reduced need for dual billing may enable more residents to participate <p>Increased number of Community Solar Subscription opportunities for Village residents and facilities</p>

Discussion

Thank You

MARK PRUITT

Illinois Community Choice Aggregation Network

T – (219) 921-3828

E – markjpruitt@gmail.com

SHARON ALEGADO

MC-Squared Energy Services

T – (312) 637-9426

E – SAlegado@mc2energyservices.com