

Village of Oak Park – Energy Initiatives Update

JULY, 2019

Topics

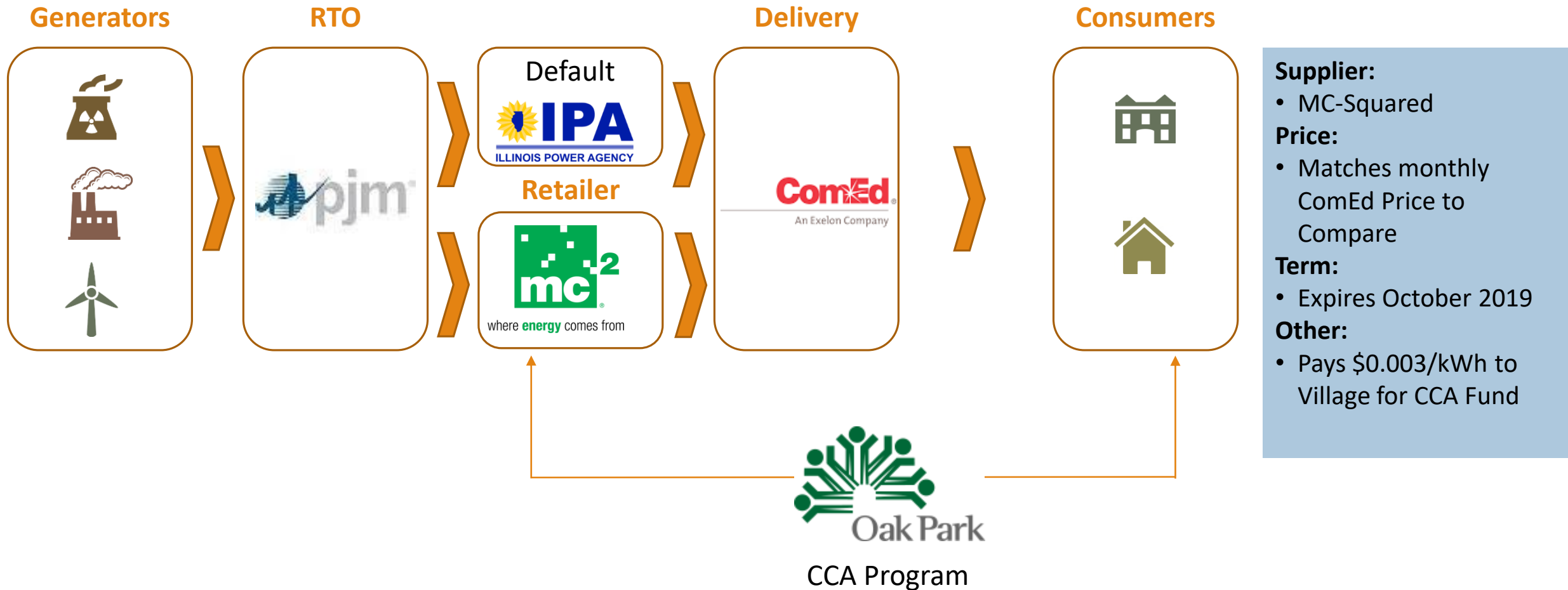
CCA Program Extension

Utility Scale Solar

Discussion

Community Choice Aggregation (CCA) Program

CCA Program



CCA Program: Recommendation #1

Staff recommends extending MC-Squared contract for CCA program

- 24-months

Market Conditions Prevent Guaranteed Savings

- ComEd prices vary annually based on the Illinois Power Agency Auction
- Also vary as much as \$0.005/kWh per month

MC-Squared floating price offer was better than lowest priced fixed price offer from Constellation

- Average 5% savings (~\$35/household through June)
- Generates \$XXX,000 for the CCA Fund

Month	Supplier Option		Savings for Residents
	MC-Squared (selected)	Constellation (not selected)	
Oct-18	\$0.06792	\$0.07073	4.1%
Nov-18	\$0.06792	\$0.07073	4.1%
Dec-18	\$0.06792	\$0.07073	4.1%
Jan-19	\$0.06719	\$0.07073	5.3%
Feb-19	\$0.06719	\$0.07073	5.3%
Mar-19	\$0.06719	\$0.07073	5.3%
Apr-19	\$0.06719	\$0.07073	5.3%
May-19	\$0.06719	\$0.07073	5.3%
Jun-19	\$0.06645	\$0.07073	6.4%
Average	\$0.06735	\$0.07073	5.0%

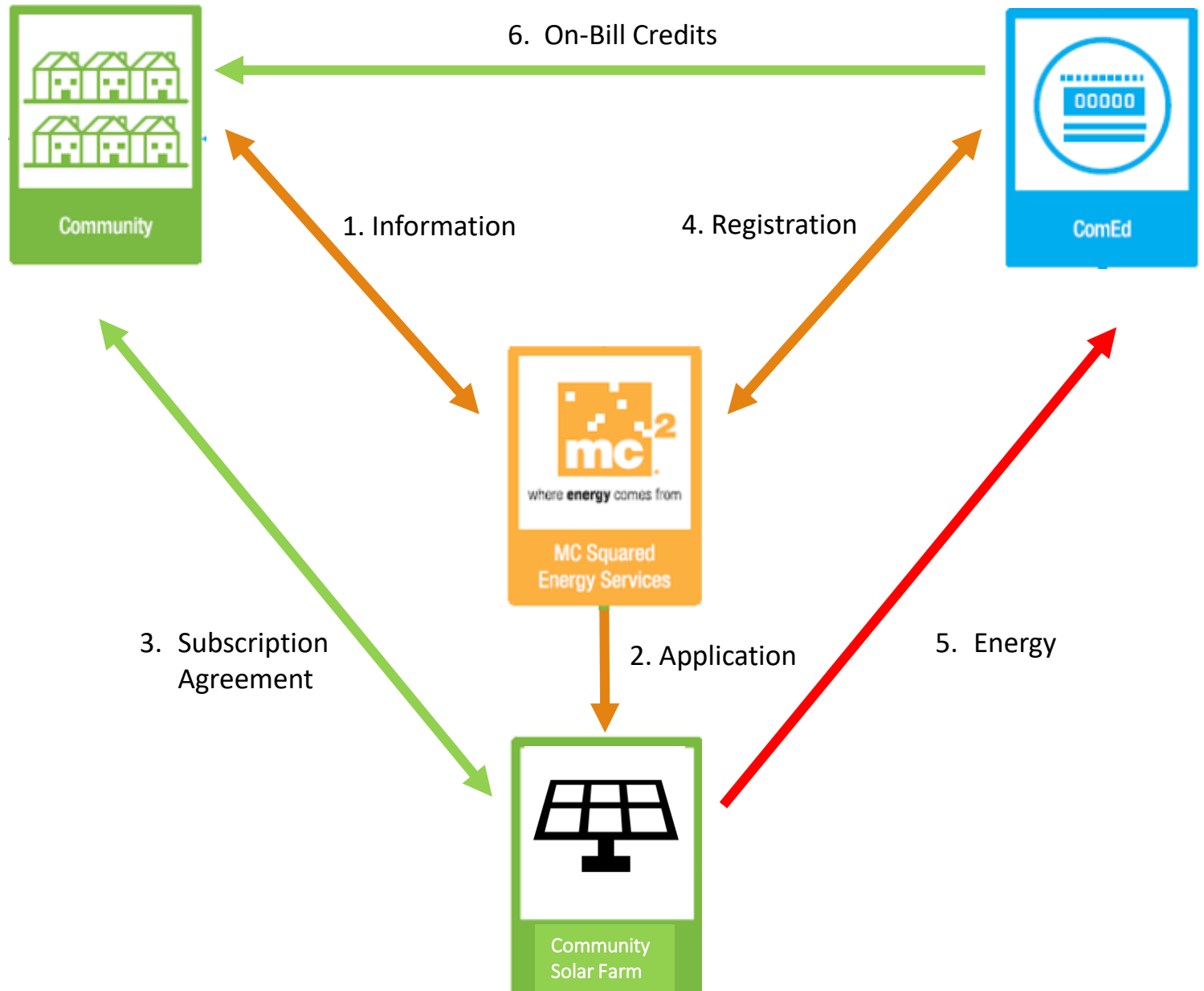
CCA Program: Recommendation #2

Work with MC-Squared to help Oak Park Residents access Community Solar

- Complex set of rules
- Wide range of options
- Limited supply

Services to be provided as a part of the CCA Program

Starting the program now will give Oak Park residents a head start on securing Subscriptions



Utility Scale Solar

Utility Scale Solar Concept

Use CCA Fund to purchase electricity from a utility scale solar development

- Located in Illinois (preferably within the ComEd region)
- New resources (to demonstrate additionality)
- Annual volume equivalent to 20% of Village CCA program consumption
- Approximately 14 MW of capacity required

Utility Scale Solar Contract Requirements

Building a new utility-scale solar asset requires:

- 10 to 20-year commitment to purchase electricity generated
- A credit-rated counterparty as buyer
- A price schedule
- Contract structure
 - Physical Power Purchase Agreement (PPA).
 - If purchased by a utility, then the electricity would be sold to retail customers
 - Contract for Differences (CFD)
 - If purchased by a non-utility, then electricity needs to be sold back to the market at the prevailing market price

Contract for Differences Figures

Likely Purchase Price: \$40/MWh

Likely Sale Price: \$30/MWh

Annual Cost: \$320,000

Use of CCA Funds: 80%

Transaction Elements		Value
Targeted Annual Utility Scale Solar Volumes		
A	CCA Program Annual Consumption (MWh)	160,000
B	Targeted Utility Scale Solar (%)	20%
C=A*B	Total Annual Utility Scale Purchases (MWh)	32,000
Balance of Payments		
D=C	Annual Solar Energy Purchased (MWh)	32,000
E	Purchase Price (\$/MWh)	\$40
F=D*E	Annual Cost for Utility Solar Purchases	\$1,280,000
G=D	Annual Utility Solar Energy Sold (MWh)	32,000
H	Sell Price (\$/MWh)	\$30
I=G*H	Annual Revenue for Solar Sales	\$960,000
J=I-F	Net Annual Benefit/(Cost) to Community	(\$320,000)

Recommendations & Discussion

CCA Program Recommendations

- Extend contract with MC-Squared for 12 or 24 months
- Expand CCA program to assist residents seeking Community Solar Subscriptions

Utility Scale Solar Issue

- Start outreach to utility scale solar projects under development in Illinois
- Further analyze costs and transaction structures
- Report back to Board in Fall