



Agenda Item Summary

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Submitted By

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Agenda Item Title

Update on the Electric Power Supply Contract with Constellation Energy for the Village's Community Choice Electrical Aggregation (CCA) Program

Overview

Staff and Mark Pruitt, Principal of Illinois Energy Choice Aggregation Network (ICCAN) recommend that the Village consider seeking two options from electricity retail suppliers relative to the Community Choice Electrical Aggregation (CCA) program in which the Village entered into an electricity power supply contract after a competitive bidding process. The Aggregation 1.0 option would extend the CCA program for another 12-24 months, and the Aggregation 2.0 option explores alternative renewable energy supply options like Community Solar, made more accessible through the Future Energy Jobs Act for Illinois' municipalities. Both options could continue the collection of 0.3¢/kWh fee for use in supporting local energy projects.

Anticipated Future Actions/Commitments

Staff has developed a review summary supporting the recommendation to seek two viable energy options for the Village's CCA program that includes a Community Solar incentive option. A brief update report follows for discussion.

Report

The Village of Oak Park through a 2011 Municipal Referendum, adopted a CCA program for the electricity supply for residential and some small business properties. In October of 2015, this program started collecting a 0.3¢/kWh local fee to support renewable energy projects within the Village.

The current retail contract rate with Constellation Energy is 7.6¢/kWh and the supply contract ends in October 2018. Village staff is seeking alternative renewable energy retail supplier incentives to offset rate increases anticipated for late 2018 and 2019.

ComEd recently posted its June 2018-19 rates, which are up slightly compared to last year by \$0.00321/kWh for summer months and \$0.00639/kWh for non-summer months. Retail electricity supplier rates have also risen in response to elevated wholesale rates in the northern Illinois region.

Summer 7.358¢/kWh

Non-Summer 7.941¢/kWh

Two Options for The Village to consider:

- Aggregation 1.0: Request standard supply pricing from retail suppliers by mid-July.

- **Aggregation 2.0:** Request alternative supply options from retail suppliers by mid-July that include elements such as Community Solar. Under this arrangement, all accounts participating in the aggregation program would receive a standard community solar subscription to a specified community solar resource. The subscription costs and rebates associated with these community solar subscriptions would be embedded within the overall aggregation program pricing. These contracts may include a commitment by the Village of 5 - 7 years with an annual option to exit the contract.

Community solar resources are connected to the ComEd distribution system and their output can be credited to ComEd customers with a process called Net Metering. Several hundred community solar installations are planned for the ComEd region which may present a potential cost savings for participants.

Staff and ICCAN recommend that the Village seek proposals from retail electricity suppliers for both Aggregation 1.0 and Aggregation 2.0 options by mid-July. With a suitable range of offers from retail electricity suppliers, the Village can select its preferred option by July 30, 2018. We also recommend that the Village seek proposals from retail electricity suppliers after June 6, the date upon which the Illinois Power Agency has committed to establish final incentive rates for community solar projects in the ComEd region.

Timeline:

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| June 11, 2018 | Village Board Special Meeting |
| June 12, 2018 | Prepare and seek proposals from retail electricity suppliers on or before July, 20, 2018 |
| July 30, 2018 | Present Aggregation 1.0 and Aggregation 2.0 proposals to the Village Board for a decision. |
| August, 2018 | Implement Board rate decision |
| October, 2018 | End date of current CCA contract with Constellation Energy. |

Alternatives

The Village Board could take no action which would effectively revert all residential customers to ComEd's default rates.