

TO: Mayor and Members of Council
FROM: Evonne Kovach, Municipal Manager
RE: Electric Aggregation Renewal
DATE: January 6, 2017 – Resolution No. 2017-02-F

On your agenda for the Tuesday, January 10th meeting you will find a resolution regarding the continuation of the Village's electric aggregation program. I have mentioned a couple of times over the last few months that this renewal would be coming and that the process of bidding, selection and contracting occurs very quickly – all of which is coordinated by our consultant Mark Burns of Independent Energy Consultants. This is something we do every 3 years for electric. You may recall that we just did the gas aggregation at the end of last year.

In mid-December bids were obtained from 6 vendors for the electric aggregation.

The recommended supplier is Interstate Gas Supply, Inc. (IGS) who is currently our gas supplier, as well.

Current rate is 5.36 cents per kWh

Proposed new rate that we would be locking in for 3 years is 5.47 cents per kWh

This slight increase over the current rate resulting from “capacity” – which is a reservation charge to meet peak demand.

Current Duke Energy price to compare is 6.36 cents per kWh

Term is 3 years. The new rate takes effect with the April 2017 billing.

The rate is only good for a 30 day period which is why it is necessary for Council to take action on Tuesday.

Please remember this is an opt-out program, which means participation is the choice of our residents and businesses. The Village authorized aggregation programs in 2010 to provide our residents with the opportunity to save on utility bills. Our program has an excellent history of providing some of the lowest rates around the area!