## ITEMS FOR SEPARTE ACTION IX-A



To:

David A. Hulseberg

Village Manager

From:

Timothy Sexton

Director of Finance

Date:

May 3, 2012

Subject:

Electricity Supply Contract - Municipal Aggregation

Proposals were received this afternoon by the Village's broker, NIMEC, for municipal aggregation of electricity. As you will note in **Attachment 1**, First Energy Solutions was the lowest bidder. **Attachment 2** provides different options as it relates to the term of the contract, and the amount of renewable energy. **Attachment 3** includes the pricing selected by other municipalities that have already gone out to bid. **Attachment 4** is a chart that shows electricity prices over the last 5 years. Finally, **Attachment 5** is a printout from the Illinois Commerce Commission's website for individual offers from the alternative suppliers.

In reviewing **Attachment 2** for each of the potential contract terms, there is very little difference in the pricing between a 12 month term and a 24 month term, about 3.4%. However, there is a much more significant increase for the 36 month term, about 15.3%. In addition, First Energy has provided a rate guarantee, whereby if ComEd's rate were to drop next year, they will beat ComEd's rate. Therefore, based on these factors, staff recommends that the 24 month term be selected.

At the public hearing on April 19, 2012, the Village Board indicated an interest in exploring renewable energy as an option. The bidders were requested to supply pricing on four levels of additional renewable energy – 0%, 25%, 50% and 100%. **Attachment 2** is a summary of the pricing for these options. Looking at the 24 month schedule, there is a difference in cost of .09 ¢/kWh between 0% additional renewable energy and 100% additional renewable energy. Based on the average residential load in Lombard, essentially this difference translates to an additional \$9 per year for 100% renewable energy. First Energy did provide the option for individuals to sign up for additional renewable if the Village were to choose 0% additional renewable for the group. However, this will be more expensive than the .09 ¢/kWh difference in the aggregation pricing, probably more in the .25 ¢/kWh range.

Overall, the current ComEd price for electricity is 7.733 ¢/kWh. The bid prices that the Village received for 24 months are 41%/40% (0% renewable/100% renewable) lower than ComEd's current prices. Based on the bid prices for 24 months, the average resident in Lombard will save \$318 on an annual basis with the 0% additional renewable option, and \$309 on an annual basis with the 100% additional renewable option compared to the current ComEd price. The ComEd price will change next May/June based on their bidding at that time. As we cannot predict where electricity prices will be at that time, we cannot say how much savings there will be beyond that timeframe. However, for this two year period, it is guaranteed that the rate will not be more than ComEd's rate. For comparison to the individual offers that are currently available, as listed in Attachment 5, the lowest fixed cost for a 24 month term is 5.65 ¢/kWh for 0% additional renewable, and 6.98 ¢/kWh for 100% additional renewable.

Therefore, staff recommends that the Village Board select the 24 month contract term, with whatever level of additional renewable that the Board desires, and direct the Village President to sign a contract with First Energy Solutions. Finance staff and the Village Attorney are working with First Energy Solutions on the final contract document.

Š	. % % .	% %	% %	% %	% %	% %
Call Center Power Sources	Coal: 48% Nuclear: 35% Nat Gas: 13% Other: 4%	Coal: 47% Nuclear: 35% Nat Gas: 14% Other: 4%	Coal: 55% Nuclear:29% Nat Gas: 12% Other: 4%	Coal: 58% Nuclear: 26% Nat Gas: 13% Other: 3%	Coal: 51% Nuclear: 28% Nat Gas: 16% Other: 4%	Coal: 48% Nuclear: 35% Nat Gas: 12% Other: 5%
医环分子 克斯斯士	Overseas, plus US and Canada	Ohio	Michigan	PA	Maryland	Illinois
Credit Rtg (Moody / s&P)	A3/A	Baaa2/BBB-	Baa1/BBB+	Parent: Ba1/BBB-	Baa2/BBB	Private LLC. Backed by EDF N. America Rating A3
Ind"l Green	ON	YES	YES	YES		YES
Illinois Aggregations	(8) 70,000 accts Total in IL: 125,000	(7). 45,000	(14): 125,000	8 no. shore communities (70,000)	3 (25,000)	(2) 8,000
Aggregation Munis/accts	Gas: 20 (Ohio): 108,000	Extensive (over 400)	Ohio: 46,000 (Gas)	DPL: 8 communities in Ohio (12,800)	Gas: 4 Ohio	Two
Total Residential	Direct Res'l in IL, CT and PA Total Served: 570,000	1,400,000 residential and small commercial accounts	Total in IL: 80,000	parent: 500,000 res'l cust's.	30,000 (gas) Elec: n/a	Illinois Experience
Rate Guaranty	ON	YES	YES	YES (custom offer)	O 2	YES
Ownership	Wholly owned subsidiary of Centrica PLC	FirstEnergy Solutions Corp., subsidiary of FirstEnergy Corp.		Parent Company: DPL Energy Resources, Inc.	Wholly Owned subsidary of Exelon Energy	privately owned.
Early Terminati on Fee	None	\$25	None	\$25	None	None
Pricing: 7.73	1: 4.497* 2: 4.768* 3: 5.169*	1: 4.40 2: 4.55 3: 5.09	1: 4.910 2: 5.486 3: 6.884	1: 4.955 2: 5.322 3: n/aa	1: 4.752* 2: 5.234* 3: 6.015* (w/ civic	1: 4.708 2: 5.093 3: 5.909
ComEd rate:	Direct	First Energy	Integrys	MC Squared	Constellation	Nordic

			•	ř
				**

# First Energy Solutions

## RESIDENTIAL (¢/kWh)

## Early Term Fee \$25

Additional Renewable	12 Months	24 Months	36 Months
0%	4.40 ¢/kWh	4.55 ¢/kWh	5.09 ¢/kWh
25%	4.43 ¢/kWh	4.58 ¢/kWh	5.11 ¢/kWh
50%	4.45 ¢/kWh	4.60 ¢/kWh	5.13 ¢/kWh
100%	4.49 ¢/kWh	4.64 ¢/kWh	5.17 ¢/kWh

## Small Commercial (¢/kWh)

Early Term Fee \$50

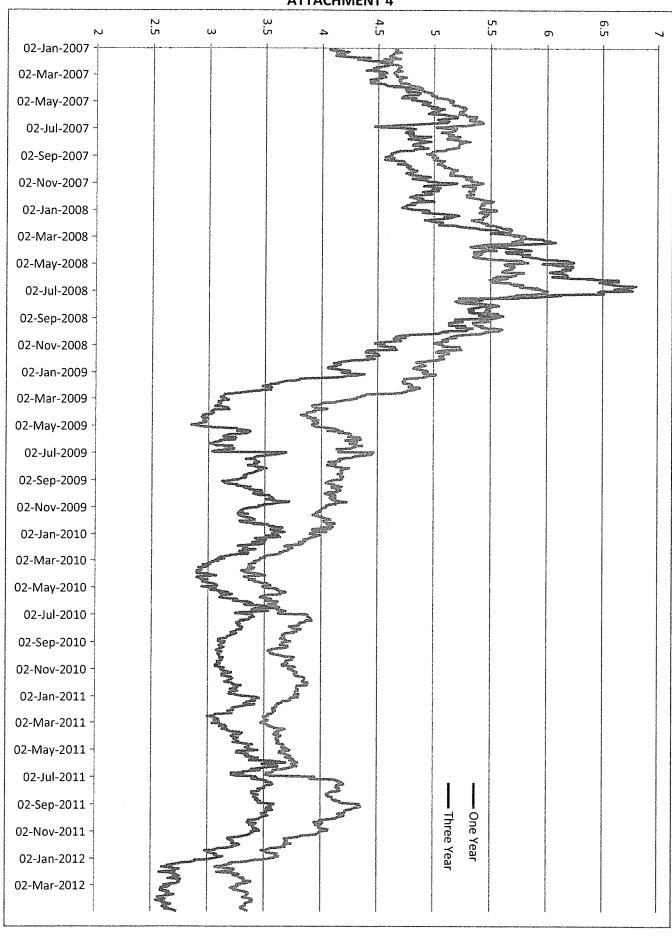
Additional Renewable	12 Months	24 Months	36 Months
0%	4.40 ¢/kWh	4.55 ¢/kWh	5.09 ¢/kWh
25%	4.43 ¢/kWh	4.58 ¢/kWh	5.11 ¢/kWh
50%	4.45 ¢/kWh	4.60 ¢/kWh	5.13 ¢/kWh
100%	4.49 ¢/kWh	4.64 ¢/kWh	5.17 ¢/kWh

		· · · · ·

Municipality	NIMEC	NUMEC	NIMEG					
mamerpancy	106	200	3yr	11/10	2	2		
	25,71	4)%	SMESE	1yr	2yr	3yr		
Antioch		ļ						A=0.===
Arlington Hts	-			5.3			Integrys	\$50 ETF
Bannockburn	ļ			4.775			Integrys	NW Consortium
			-	4.64		<del> </del>	Constellation	
Barrington						ļ		
Belvidere			<u> </u>	_				
Bradley								
Brookfield								
Buffalo Grove				4.775			Integrys	NW Consortium
Crystal Lake								
Countryside								
Darien	4.24	4.54	4.93				Direct	no green
Deerfield				4.84			MC2	No Shr consortium
Dwight								
Elmhurst								
Evanston				4.797			Constellation	100% green
Flossmoor								
Forest Park								
Gilberts								
Genoa				4.169			Direct	McHenry aggregation
Glencoe				4.84			MC2	No Shr consortium
Gurnee								140 Sili Colisortium
Hampshire								
Hanover Park								
Harwood Heights								
Highland Park		F		<del>i</del>	· · · · · · · ·			
Hinsdale	4.021	4.301	4.63	<u> </u>		-		
Hoffman Estates	7.021	4.301	4.03					
Huntley				4.100			Discoul	
Island Lake				4.169			Direct	McHenry aggregation
	4.40	450						
Itasca	4.40	4.58	5.12				FES	
Justice								
Kankakee								
LaGrange Park								
Lake Bluff				4.84			MC2	No Shr consortium
Lake Forest							MC2	No Shr consortium
Lake Zurich								
Libertyville								
Lincolnshire				4.775			Integrys	NW Consortium
Lisle								
Lombard								
Long Grove				4.775			Integrys	NW Consortium
Kildeer				4.64			Constellation	
Manhattan	4.40	4.58	5.12				FES	
Mokena								
Montgomery								
Morton Grove								
Mount Prospect								
Mundelein								
		<u></u>		ــــــــــــــــــــــــــــــــــــــ		L		

No Chicago	I	1	Τ				
Norridge							
Oak Forest							
Olympia Fields							
Orland Park							
Oswego	4.40	4.67	5.23			FES	100% green
Palatine				4.775		Integrys	NW Consortium
Palos Heights							
Palos Hills							
Palos Park							
Park Forest							
Park Ridge				4.84		MC2	No Shr consortium
Pingree Grove							
Prairie Grove							
River Grove						, , , , , , , , , , , , , , , , , , , ,	
Riverside							
Round Lake Pk							
Round Lk Bch							
Schiller Park							
Skokie				4.84		MC2	No Shr consortium
So. Barrington							
So. Chicago Hts							
South Elgin							
South Holland							
Sycamore							
Thornton							
Tinley Pk							
Vernon Hills				4.775		Integrys	NW Consortium
Warrenville							
West Dundee							
Westchester							
Wheeling				4.775		Integrys	NW Consortium
Yorkville							

¥





HOME YOUR ELECTRIC CHOICES

COMPARE OFFERS NOW

What Are Your Choices?

Municipal Aggregation

Understanding the Utility's Electric Supply Price

Utility Space Heating Rate

The Switching Process

Customer Complaint Statistics

List of Suppliers

Energy Assistance

#### How do I compare the offers listed below?

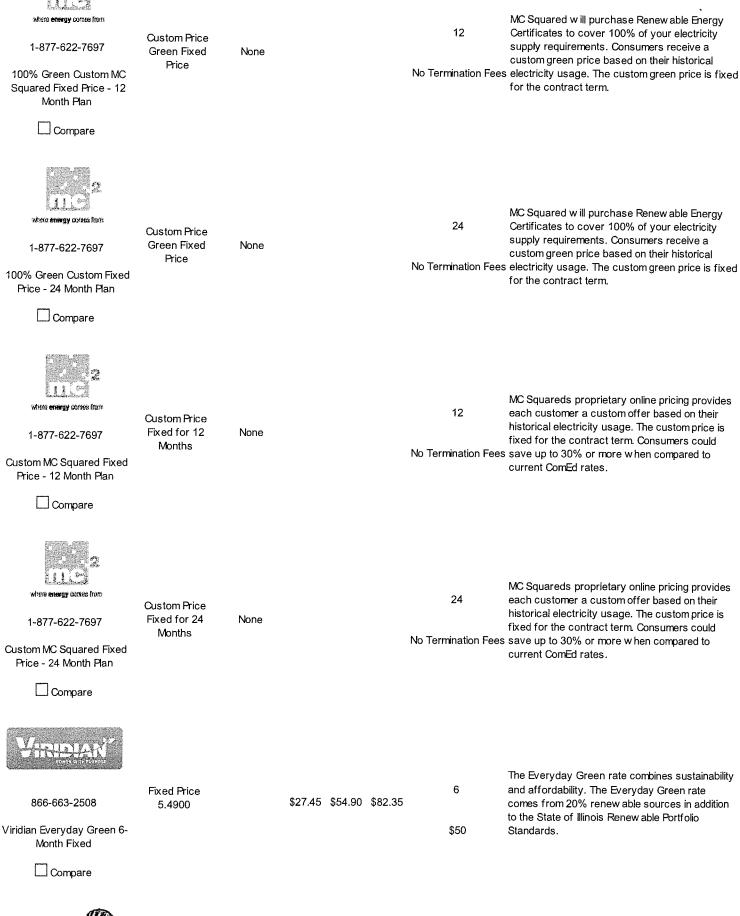
This listing of currently available residential offers is provided and maintained by Retail Electric Suppliers (RESs). The listing allows you to compare RES offers against each other as well as against the utility Price to Compare. While the ICC does not warrant that the list below is a complete list of all residential offers in Illinois, participating RESs are required to honor prices listed here as a condition of posting their offers on this site. The ICC does not endorse or recommend any particular RES. You may be able to save money by switching your electric supplier. If you are comparing offers strictly on price, there might not always be a simple way of calculating in advance which option will have the "best price", especially when considering longer periods of time. The utility Price to Compare depends solely on your electricity usage. On the other hand, some offers of Retail Electric Suppliers might include a monthly recurring charge that is independent of your electricity usage. Any such monthly fixed costs are included in the "Current Monthly Cost" columns. Keep in mind that the dollar amounts below do not include the utility's delivery service charges. Those delivery service charges are the same regardless of your choice of electric supplier and they will be part of your total monthly bill. We encourage customers to read Understanding the Utility's Electric Supply Price, which explains in more detail the various charges that make up the utility's fixed price.

The utility rate structure applicable to residences that were served under a space heat or all-electric rate prior to 2007 is discounted and retail electric suppliers are often unable to offer a price lower than the utility rate. **To learn more, see the Space Heat Information page.** 

The offers below are initially sorted in a random order. You can sort the offers by price, supplier name, term length, etc. by clicking on the desired column heading. If you see a particular offer that interests you, click on the name of the offer to see more detailed information and contract terms regarding the service. Be sure you understand all the terms and conditions of service before you sign up. Clicking on the supplier's logo or name will take to the supplier's website.

Supplier	Price in cents per kWh 🗅	Additional Monthly Fees	Curren 500 kWh	it Monti 1000 kWh	niy Cost 1500 kWh	Term (Mo.) Termination Fees	Description
Company An Excha Company 1-800-EDISON1	Fixed Price 7.733	\$0	\$38.67	\$77.33	\$116.00		This Price to Compare is in effect from October 2011 until the end of May 2012. Prices for June 2012-May 2013 will not be determined until May 2012. See Understanding the Utility's Electric Supply Price for ComEd's Space Heat Price to Compare and a detailed explanation of the various charges that make up the utility's price.
Nordic Energy Control Your Energy Future.							
877.808.1022	Custom Price	N1/A				24	Nordic provides a custom price specific to your energy needs. We provide 12 and 24 month quotes with green energy options. Don't leave
Nordic Residential Custom Quote	See Description	ription N/A				\$50	money on the table with a "one price fits all" quote! Go to http://rez.nordicenergy-us.com and start saving now.
Compare							





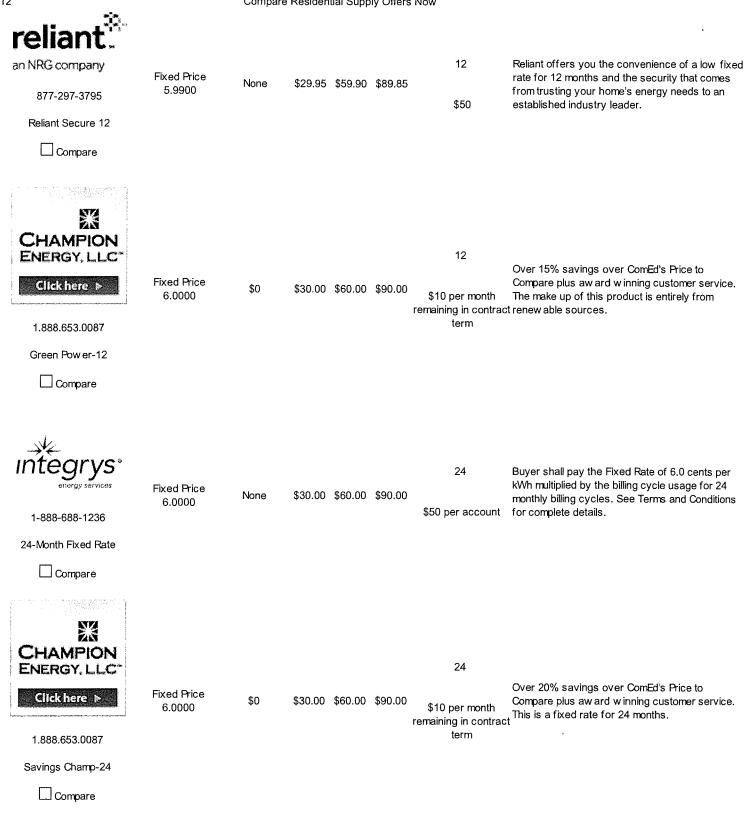


12

Catch this limited online only 12 month fixed offer that saves you the most! Your rate will include







1-888-688-1236

Fixed Price 6.1000

\$30.50 \$61.00 \$91.50

14

\$50 per account

6.1 cents/kWh fixed rate through June 2013. Each customer sent 4 CFLs to reduce cost further and save energy. If Utility Price to Compare drops below 6.1 cents, Integrys will match the new price. For full details please see Terms and Conditions.

Metropolitan Mayors Caucus Clean Air Counts Fixed Rate

Compare

1-888-688-1236 Clean Air Counts Chicago ESP Fixed Rate  Compare	Fixed Price 6.1000	None	\$30.50	\$61.00	\$91.50	14 \$50 per account	Chicago Energy Saving Program (CESP) gives customers in City wards low fixed rate (6.1¢/kWh) through June 2013 and 4 CFLs to save energy and more money. Integrys guarantees CESP rate will never exceed ComEd price. See more in Terms and Conditions.
855-376-9371  Home Independence Plan  Compare	Fixed Price 6.1830	None	\$30.92	\$61.83	\$92.75	24 \$10 per month remaining in agreement month	Guarantees a fixed, locked-in low price for the term of the contract. Provides cost savings compared to the utility's current Price to Compare combined with budget certainty over time.
reliant an NRG company 877-297-3795 Reliant Secure 24  Compare	Fixed Price 6.1900	None	\$30.95	\$61.90	\$92.85	24 \$50	Reliant offers you the convenience of a low fixed rate for 24 months and the security that comes from trusting your home's energy needs to an established industry leader.
1-888-688-1236 36-Month Fixed Rate	Fixed Price 6.3000	None	\$31.50	\$63.00	\$94.50	36 \$50 per account	Buyer shall pay the Fixed Rate of 6.3 cents per kWh multiplied by the billing cycle usage for 36 monthly billing cycles. See Terms and Conditions by clicking offer name for a full listing of terms and conditions.
Constellation Energy  1-866-577-4700  24 Month Plan  Compare	Fixed Price 6.3700	None	\$31.85	\$63.70	\$95.55	24 \$150	Receive a fixed price of 6.37¢ per kWh for 2 years + A 90-day customer satisfaction guarantee



11 14		Compare	110010011	וומו טעףף	ny Onera Nov		
888.682.8082 3 Month Savings Plan Compare	Fixed Price 6.4500	\$4.93	\$37.18	\$69.43			compared to your Combo Mice to Compare. Rate includes Sperian's generation and transmission charges, but does not include the Utility Billing Fee of \$4.93, distribution charges, or state and local tax.
ANBIT ENERGY	Variable Price 6.4900		\$32.45	\$64.90	\$97.35	<b>N</b> /A	Month to Month variable plan. Please click the offer name for more details and check Ambit's w ebsite for the Terms of Service.
R77-282-6248  SENERGY® THE POWER OF TOMORROW.™  888-996409997  No Risk Fixed Rate Plan  ☐ Compare	Fixed Price 6.4900	None	\$32.45	\$64.90	\$97.35	12 None	Fixed rate of 6.49 cents per kWh for 12 months.
Direct Energy.  1-866-266-2084  Direct Energy's 12 Month Special Military Price Protection Plan  Compare	Fixed Price 6.4900	0.00	\$32.45	\$64.90	\$97.35	12 0.00	A fixed electricity generation supply rate of \$0.0649 per kw h for 12 billing cycles. This offer is available for military personnel only and there is no early cancellation fee.
Direct Energy.  1-866-266-2084  Direct Energy's 12 Month Special Senior Price Protection Plan  ☐ Compare	Fixed Price 6.4900	0.00	\$32.45	\$64.90	\$97.35	12 0.00	A fixed electricity generation supply rate of \$0.0649 per kw h for 12 billing cycles. This offer is available for senior citizens only and there is no early cancellation fee.
1-888-491-6493 Fixed Price to May 2013	Fixed Price 6.5700	\$0	\$32.85	\$65.70	\$98.55	17 \$0	Guaranteed fixed price of 6.57 cents per/kWh through May 2013. Cancel at any time without penalty.

/ww.pluginillinois.org/offers.aspx?said=1&ob=3

Constellation Energy  1-866-577-4700  12 Month Plan  Compare	Fixed Price 6.6800	None	\$33.40	\$66.80	\$100.20	12 0 \$150	Receive a fixed price of 6.68¢ per kWh for 1 year + A 90-day customer satisfaction guarantee
(877) 228-9427  Spark Preferred 12 Advantage  Compare	Fixed Price 6.7900	0	\$33.95	\$67.90	\$101.85	12 \$ \$100.00	This plan is simple- lock in a rate 12% low er than your utility to keep your electricity bills down and more money in your pocket. Plus, there's no monthly fee. It's time to get used to low electric bills.
(877) 228-9427  Spark Preferred 24 Advantage  Compare	Fixed Price 6.7900		\$33.95	\$67.90	\$101.85	24 \$100.00	This plan is simple- lock in a rate 10% low er than your utility to keep your electricity bills down and more money in your pocket. Plus, there's no monthly fee. It's time to get used to low electric bills.
BlueStar energy solutions Your Power. Your Choice.*  (866) 258-3782  BlueStar Traditional Energy Fixed Rate  Compare	Fixed Price 6.8500	None	\$34.25	\$68.50	\$102.75	12 \$10 per remaining month in agreement term	Chicago-based BlueStar Energy has been serving residential customers since 2008 and maintains a BBB A+rating. The Traditional Energy Plan is a 13.5% discount off ComEd's price to compare and locks in your rate for 12-months – no seasonal changes.
spark energy (877) 228-9427 Spark Preferred 12	Fixed Price 6.8900		\$34.45	\$68.90	\$103.35	12	This plan is simple-lock in a rate 11% low er than your utility to keep your electricity bills down and more money in your pocket. Plus, there's no monthly fee. It's time to get used to low electric bills.

(866) 705-7291  Variable 12 after 12	Variable Price 6.9600	0	\$34.80	\$69.60 \$104.4	0 0 0	A month-to-month variable product, in which upon completion of your 12th billing cycle you will be eligible to receive a 12% rebate on your single highest month's supply charge.
spark energy (877) 228-9427 Pow er for Heroes 14	Fixed Price 6.9800		\$34.90	\$69.80 \$104.70	14 0 \$100.00	For every person who signs up for the Power for Heroes plan, we'll make a \$25 donation to Helping a Hero, an organization that helps wounded veterans make the transition back to civilian life, at no additional cost to you.
Spark energy  (877) 228-9427  12 Month Spark 100% Green Advantage  Compare	Fixed Price 6.9800		\$34.90	\$69.80 \$104.70	12 ) \$100.00	Using renew able energy is critical to securing a healthy, secure future, but it doesn't have to cost an arm and a leg. Get 100% of your electricity from renew able resources with this plan.
Verce energyusa)  1-800-388-3862  Monthly Variable  Compare	Variable Price 6.9900	None	\$34.95	\$69.90 \$104.8	5 No cancellation fee.	New enrollments receive a special \$50 cash bonus, a 20% discount on energy saving products, and free access to Verde Energy Solutions where customers can monitor & analyze their energy use. Visit www.lowcostpower.comfor more information & to enroll.
Constellation Energy.  1-866-577-4700  24 Month Plan - 100% Green  Compare	Fixed Price 6.9900	None	\$34.95	\$69.90 \$104.85	24 5 \$150	Receive a fixed price of 6.99¢ per kWh for 2 years. + 100% of your electricity will be generated from clean, renewable wind sources. + A 90-day customer satisfaction guarantee
866-663-2508  Viridian PureGreen 6-Month Fixed	Fixed Price 6.9900	None	\$34.95	\$69.90 \$104.85	6 \$50	Viridian's Pure Green is 100% renewable, coming purely from local wind sources. This affordable plan has been certified by Green-e Energy, the leading third-party certification platform for renewable energy products.

3/12		Compar	e Resider	itial Sup	ply Offers	Now	
. Compare							
North American Power  888-313-9086  100% Renew able Rate  Compare	Variable Price 6.9900	None	\$34.95	\$69.90	\$104.85		Renew able energy helps improve our health, environment and national security. This affordable plan comes from 100% renew able sources and generates donations to the charity of your choice. No cancellation fees, long-term contracts, or monthly fees.
Constellation Energy  1-866-577-4700  12 Month Plan - 100% Green  Compare	Fixed Price 7.1800	None	\$35.90	\$71.80	\$107.70	12 \$150	Receive a fixed price of 7.18¢ per kWh for 1 year. + 100% of your electricity will be generated from clean, renew able wind sources. + A 90-day customer satisfaction guarantee
BlueStar energy solutions Your Power. Your Choice.*  (866) 258-3782  BlueStar Renew able American Energy Fixed Rate  Compare	Fixed Price 7.3200	None	\$36.60	\$73.20	\$109.80	12 \$10 per remaining month in agreement term	Chicago-based BlueStar Energy has been serving residential customers since 2008 and maintains a BBB A+ rating. The 100% wind Renew able American Energy Plan is a 7.5% discount off ComEd's price to compare. Green-e® Energy certified.
866-663-2508  Viridian PureGreen  Compare	Variable Price 7.4900	None	\$37.45	\$74.90	\$112.35	o \$0	Viridian's Pure Green is 100% renewable, coming purely from local wind sources. This affordable plan has been certified by Green-e Energy, the leading third-party certification platform for renewable energy products.
1-866-946-3123 RE-Pow er Illinois	Variable Price 7.6900	None	\$38.45	\$76.90		No Cancellation Fee	Verde Energy USA, in partnership with Community Energy, offers the only 100% IL Wind & Solar product. New enrollments receive a \$50 cash bonus, 20% off energy saving products & access to Verde Energy Solutions: an energy monitoring & analysis tool.



**ENERGY** 877-282-6248

Fixed Price 8.2400

\$41.20 \$82.40 \$123.60

12

N/Α

Green fixed price for 12 month term. Please click the offer name for more details and check Ambit's website for the Terms of Service.

Certified Green Select 12month Term

Compare

Variable Price 9.2400

\$46.20 \$92.40 \$138.60

NΑ

Green month to month variable plan. Please click the offer name for more details and check Ambit's website for the Terms of Service.

Certified Green Select Variable

877-282-6248

ENERGY

☐ Compare

Export to XML

Export to CSV (Excel)



About Electric Choice



Frequestly Asked Questions



ICC Home

Copyright ©2011 Illinois Commerce Commission. All rights reserved.