

## 2.4 APPROVAL OF RETAIL ELECTRIC SUPPLIER AGREEMENT

### A. SUBJECT

This item is included on the agenda so the Board can approve a new rate agreement through our energy broker, Vanguard Energy Services.

### B. INFORMATION

In May 2022 the District contracted with Vanguard Energy Services to manage and broker our electric and natural gas services. Historically, the District has been fortunate to have locked in favorable pricing for extended periods of time. Contracts have been under the following terms and prices:

Term	Building	% of Usage	Cost/kwh	Bd Approval
January 2015 – December, 2016	All Buildings	100%	\$ 0.03640	March, 2014
Dec 2, 2016 – December 1, 2017	All Buildings	100%	\$ 0.03282	Dec, 2015
Dec 2, 2017 – December 1, 2019	All Buildings	100%	\$ 0.03262	April, 2016
Dec, 2019 – December, 2020	All Buildings	100%	\$ 0.03034	April, 2017
December 2020 – December 2022	All Buildings	100%	\$0.02950	Sept. 2018
December 2022 – November 2025	All Buildings	100%	\$.05742 - \$.06505	Sept 2022

The ComEd rate, which is currently averaging at \$.0787/kwh, is significantly higher price than what we are currently paying. All rates are listed before the current delivery fee of \$.01816

With the expiration of our current agreement, we are looking to lock in a rate over an extended period that will hopefully benefit the district in this volatile market. In an effort to allow the district to take advantage of any potential opportunities for electricity pricing, our utility consultant, Russ Gewin, is recommending that the district lock in pricing in 20% blocks for potentially a year at a time.

Mr. Gewin is recommending that the district set a “trigger” price of \$.05084/kwh for blocks of 20% of the district’s electricity needs and when the market reaches this price point or below, he will lock in this rate for the district. Because electricity is a traded commodity and the price per kwh changes daily, administration is recommending that the Board approve this plan and give the Chief Financial Officer the ability to sign the contract on the day that the “trigger” price is available.

### C. RECOMMENDATION

The Superintendent recommends approval of the electric supplier agreement with Constellation Energy for the period covering December 1, 2025, through December 1, 2026.

**D. SUGGESTED MOTION**

This item will be included as part of the Consent Agenda Motion.