



Executive Summary Facilities Committee Meeting

DATE: July 20, 2021

TOPIC: Extension from Electric Supplier, IGS

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Recommended for:

- Action
- Discussion
- Information

Purpose/Background:

The District is concluding its first year with electricity supplier, IGS. This switch away from Engie, produced a 7.7% savings, even though the District used 12.7% more kilowatt hours this past year. IGS is now offering a 30-month extension with 12 months remaining on the original agreement. Therefore, if accepted, the agreement would last until February 2024 instead of July 2022. Currently, the District pays \$0.0582/kWh and the 30-month offer is based on fluctuating market rates, which was \$0.0563 at the time this summary was written. The District's legal counsel reviewed this IGS agreement and found it acceptable. IGS created the new document by working off directly from the prior agreement, which includes all of the final revisions SD74 requested. Contracts for utilities, like electricity, do not need to be competitively bid. Districts frequently go through a proposal process, just like SD74 did in 2020, and then renew via updated proposals with their current vendor for as long as the relationship and pricing continue in good standing.

Fiscal Impact:

If rates hold steady, a rate change from \$0.0582/kWh during AUG 2020 - JUL 2022
to \$0.0563/kWh during SEP 2021 - FEB 2024

Recommendation:

Since electric rates fluctuate, it is the Administrative recommendation that the Facilities Committee concurs to recommend to the Board of Education to approve the 30-month extension proposed by IGS so long as the pricing rate maintains a level at or below the current 0.0582/kWh at the time of the August 5, 2021 Board of Education meeting.