

Nania Energy Advisors is a full-service energy advisory company headquartered locally in Warrenville, Illinois. We specialize in helping public school districts procure and manage energy to reduce energy costs, mitigate risk, and achieve green energy goals.

In a live reverse auction, energy suppliers compete against each other on an online platform, submitting multiple bids each. The low price-to-beat is visible to all parties and grants each supplier equal opportunity to win your business.

This benefits the District by providing:

- Live, fair competition
- Larger supplier pool
- Recorded audit trail of the process
- Quantifiable savings vs. the sealed bid method



#### Proposed Timeline for 100% Green Electricity Auction for River Forest SD 90:



**May 18**<sup>th</sup> – Approve Nania Energy's live auction process. Sign Energy Services agreement.

**May 20**<sup>th</sup> - Approve RFP parameters for suppliers, including contract requirements.

**May 26**<sup>th</sup> - Round #1 RFP results gathered. Market indication thresholds set.

**May 27**<sup>th</sup> – Live auction administered. Winning bid accepted, if favorable, and supplier contract executed.

**Week of June 1st** – Final results summarized; countersigned agreements provided.



# **Procurement Method Comparison**

#### **Sealed Bid**

- RFP sent to all suppliers
- Suppliers submit pricing blindly via email or paper in Round #1 Sealed Bid
- Supplier refreshes pricing & contract is signed

Low Sealed Bid: \$0.02900/kWh

3<sup>rd</sup> Party Fee: \$0.002/kWh

Est. Usage: 1,300,000 kWh

## **Energy Cost Example:**

Low Sealed Bid + 3<sup>rd</sup> Party Fee: **\$0.03100** 

x Annual Usage 1,300,000 kWh

Energy-Only Cost: \$40,300

#### **Live Reverse Auction**

- RFP sent to all suppliers
- Suppliers submit sealed bid pricing in Round #1 to qualify for live auction
- Suppliers compete live via auction, submitting multiple bids against price-to-beat
- Contract is signed following the auction

Low Auction Bid (8% savings): \$0.02668/kWh

3<sup>rd</sup> Party Fee: \$0.0025/kWh Est. Usage: 1,300,000 kWh

## **Energy Cost Example:**

Low Auction Bid + 3<sup>rd</sup> Party Fee: **\$0.02918** 

x Annual Usage 1,300,000 kWh

Energy-Only Cost: \$37,934

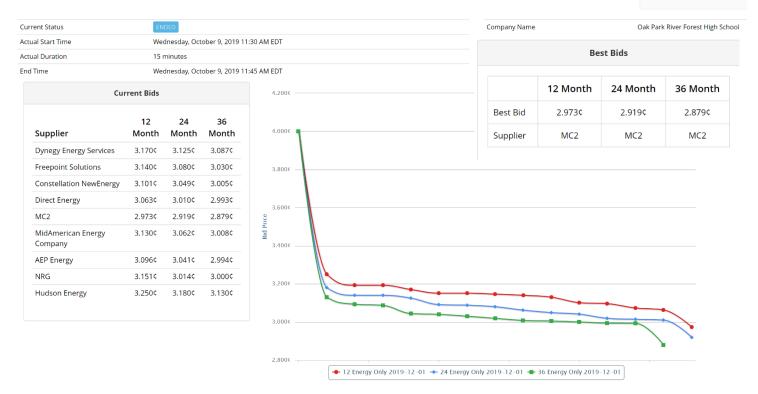
If the auction produces an 8% savings vs. sealed bid, the District would save an additional \$2,366/year by utilizing an auction process.



# **Case Study of Local High School District**

IL - COMED - EL - 5,100 MWH - 10.09.19 @ 11:30 AM EST (ENERGY ONLY, 100% GREEN)

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- Round #1 Sealed Bid identified qualified suppliers and prices-not-to-exceed
- On auction day, 9 suppliers submitted 41 bids in 15 minutes
- The final accepted offer saved the District 31% over the term