



Lincolnwood School District 74/IGS Energy

Electricity Discussion with Nate Nolting
11/12/25



Bullish Indicators (Risk)

- Weather (Risk of Cold Winter)
- LNG Build Out (World's Largest Exporter)
 - ★ • Record-breaking exports for 2025
 - ★ • By 2028, LNG Capacity expected to double
- Electricity Demand increase
 - US data center 2x since 2018, expected to 2x again by 2028.
 - PJM Capacity Auction Increase
- ★ Electricity Generation Setbacks
 - Coal-fired electricity generation retirement (dropped from 50% stack in 2017 → to 17% in 2024).
 - No new generation will be added outside of Solar for 2025-2026
- International Conflicts
 - Conflicts overseas rapidly increasing energy costs



Bearish Indicators (Return)

- Warmer winter Weather
 - Mild Winter last year until Feb of 2025
 - Mild winter would drive prices down
- US Storage Balances
 - Above 5-year average.
- ★ U.S. Natural Gas Production Increase
 - Production has increased by 43% since 2017 (70 BCF/day to over 100 BCF/day).
- Recession
 - Lower demand, pricing declines.

Datacenter growth

Driven by the rise in cloud computing and AI, data center power demand grew by nearly 100 TWh from 2014 to 2023 and currently accounts for ~4% of total US electricity consumption (~150 TWh)

By 2030, this demand could nearly triple in a high-growth scenario, increasing annual datacenter consumption to 400 TWh and accounting for ~9% of total U.S. electricity consumption

U.S. Data Center Growth in TWh



Reshoring of manufacturing

Since 2014, real manufacturing construction spending in the U.S. has more than doubled, rising from ~\$80 billion annually to over \$200 billion by 2023 as federal and state initiatives and supply chain concerns continue to drive U.S. manufacturing revitalization

Total U.S. Construction Cost for Manufacturing Purposes



Electrification of buildings and cars

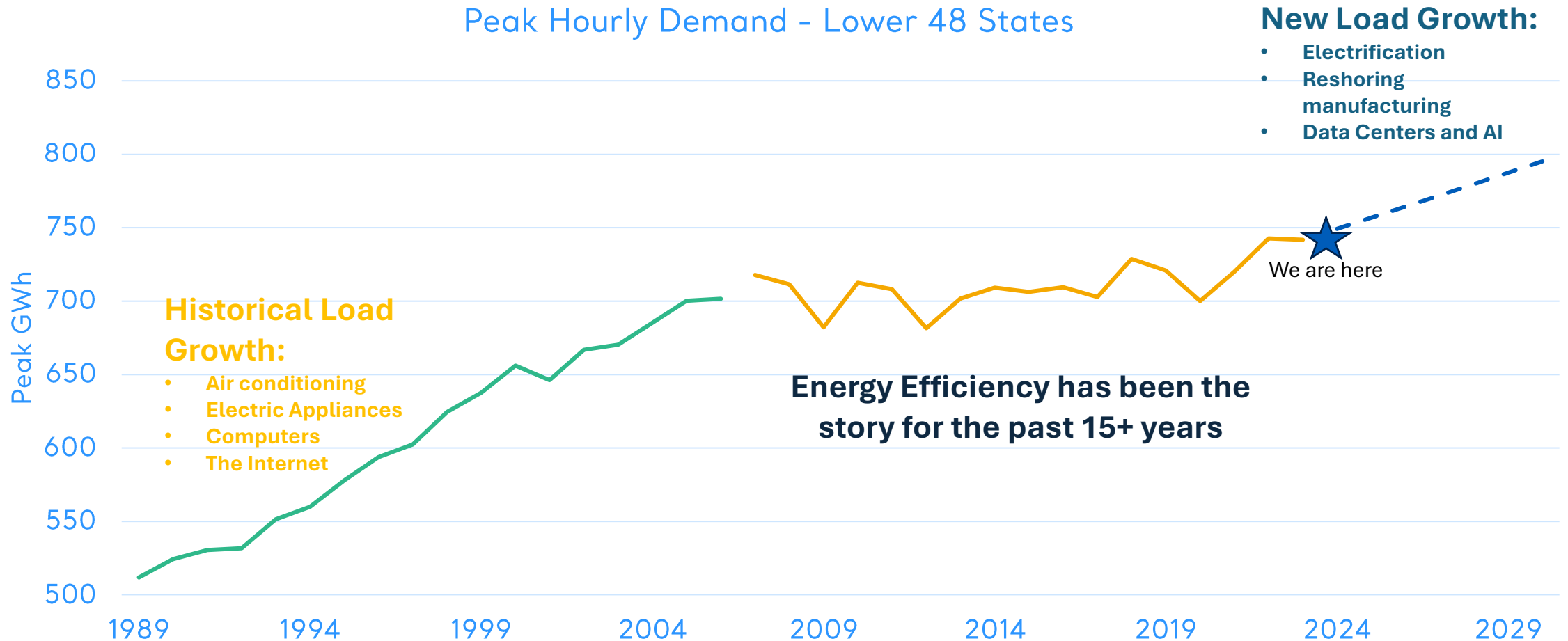
By 2030, electric vehicles are forecasted to make up around 20% of the U.S. on-road light vehicle fleet, growing EV-related consumption from <10 TWh in 2023 to more than 80 TWh by 2030

Electric heating is also on the rise, contributing to modest residential consumption growth



Most of the electricity generation growth in the US in the next two years will be from new solar capacity, the EIA said Friday. The EIA said it expects the US to add 26 GW of new solar in 2025 and 22 GW in 2026, following the record capacity additions seen in 2024 at 37 GW. Most other energy sources will "remain mostly unchanged" over the next two years.

Peak Hourly Demand - Lower 48 States



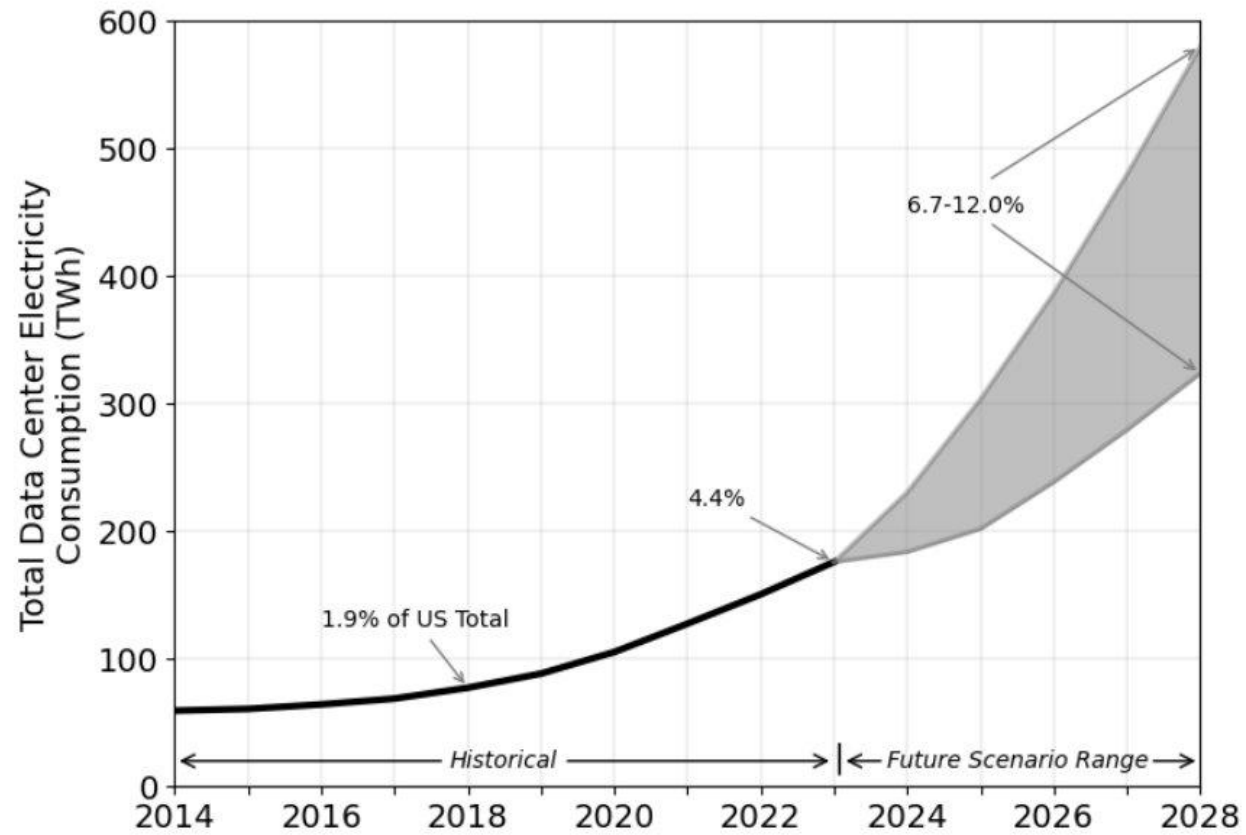


Figure 5.5. Total data center electricity use from 2014 through 2028.

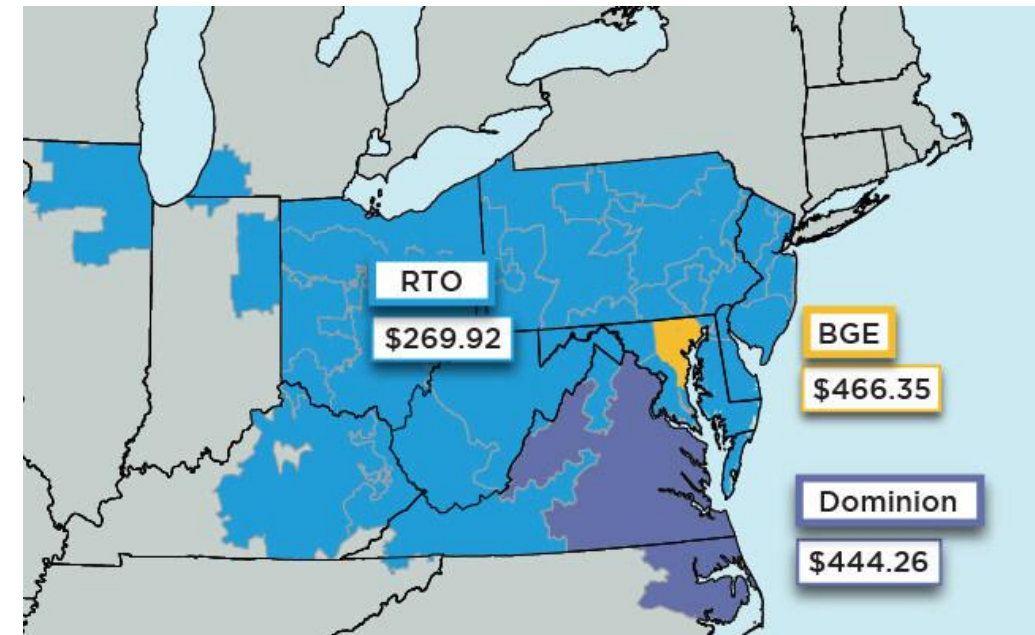
Figure 5.6 presents the total historical and future ranges of U.S. data center energy use allocated by data center equipment, showing that total energy use growth between 2014 and

Major Capacity Increase –

- Key takeaway – The capacity cost component in your fixed price offers has increased by 3x-7x as of 7/30/24 which will increase your overall price around 15%-30% depending on term length starting in June of 2025.
- Generators bid in reverse auction to determine capacity pricing for upcoming years. This is to make sure generators can meet peak demand on the grid.
- The auction produced a price of \$269.92/MW-day for much of the PJM footprint, compared to \$28.92/MW-day for the 2024/2025 auction. Capacity auction prices fluctuate annually based on the need for investment in generation resources.

Specifically, the drivers of higher prices in this auction include:

- Decreased supply offers into the auction due mainly to generator retirements
- Increase in projected peak load
- FERC-approved market reforms, including improved reliability risk modeling for extreme weather and accreditation that more accurately values each resource's contribution to the grid



Electricity: Additional Capacity Increase: June 2026 – May 2027

- On July 22, 2025, PJM released its capacity auction results for the June 2026 – May 2027 capacity year, which came in at a record breaking \$329.17/MW-day, reaching the cap of the collar established by PJM and approved by FERC.
- For context, the 2025 – 2026 clearing price was \$269.92/MW-day for most of the PJM footprint.
- The auction produced a price of \$269.92/MW-day for much of the PJM footprint, compared to \$28.92/MW-day for the 2024/2025 auction. Capacity auction prices fluctuate annually based on the need for investment in generation resources.

Specifically, the drivers of higher prices in this auction include:

- Increased Demand forecasted due to data center growth, continued enhancements to AI, and electrification across the grid
- Decreased Supply from the power plant retirements due to age and/or diminished operating economics
- New Rules factoring in generators' fuel source reliability – reducing biddable capacity at Auction

Electricity Pricing

Term in Months	Start	End	kWh Volume	\$/kWh Price
12	Apr-26	Mar-27	2,020,099	\$0.0984
24	Apr-26	Mar-28	4,040,198	\$0.0985
36	Apr-26	Mar-29	6,060,296	\$0.0982

-The Base Residual Auction for the capacity rate has not yet been established after May-27. Any term that goes beyond May-27 will have a capacity adjustment higher or lower, as applicable, starting in June-27. These offers are pricing in capacity beyond May-27 at \$325/MW-day.

-All terms above will provide a Network Integration Transmission Service (NITS) adjustment for any changes, positive or negative, to the NITS rate as assessed by your utility. Many suppliers will only adjust this rate when it is a charge and not provide a credit when the NITS rate decreases.

Pricing as of 11/12/25 at 9:20am and is subject to market change.

Current All-In Fixed Rate: \$0.085 per kWh

Current ComEd Rates: \$0.08 – \$0.11 per kWh



IGS Energy

- Largest independent supplier in the nation
 - Over 1,500,000 customers
- Additional value created by eliminating 3rd party broker margins/fees
- Dual commodity supplier of both natural gas and electricity
 - Can help achieve any Solar, LED lighting, or sustainability goals
- 33+ years serving customers as a family-owned business
- Focus on education & transparency through contracting
 - Specialize in risk mitigation and developing products to meet customers needs
- Strong Financials—available upon request
- Official Energy Partner of the Chicago Bears