



March 23, 2022

To: City of Maumee, Ohio
From: Palmer Energy Company
Subject: Electric RFP Refresh for City of Maumee Facilities

As the authorized consultant for the Northwest Ohio Aggregation Coalition (NOAC), including the City of Maumee, Palmer Energy issued an electric RFP for five communities in Northwest Ohio with agreements up for renewal in May 2022. This RFP included City of Maumee’s facilities, which includes 86 accounts receiving electric distribution service from Toledo Edison and consuming approximately 3.8 GWh annually. Currently, the City of Maumee’s facilities are being served by AEP Energy through the May 2022 billing period.

Seven suppliers responded to the initial RFP and based on the original RFP analysis dated January 24th, 2022, refreshed pricing was requested from AEP Energy, Energy Harbor, and Freepoint Energy Solutions for a capacity pass-through structure for a 36-month term. The refreshed capacity pass-through offers are displayed in the table below and are combined with the estimated capacity costs to provide an approximate apples-to-apples price comparison versus the City’s current rates.

Table with 4 columns: Supplier, Term (Months), Rate (\$/kWh), and Est. Annual Cost Savings VS Current Contract Rates INCLUDING Capacity. Rows include Freepoint, AEP Energy, and Energy Harbor.

The prices for all terms and suppliers proposed through this RFP are subject to federal, transmission organization, statewide regulatory changes, and/or material changes of the accounts included resulting in additional costs to the supplier. This is a standard provision across virtually every supplier and contract. These estimates are based upon historic annual usage and load information. Actual savings will fluctuate based on a number of factors.

Estimated capacity costs for the City of Maumee for June 2022 – May 2023, based on current PLCs and the known system capacity rates, are approximately \$20,000, or \$1,700 per month. Actual costs for all years will vary based on final capacity rates, PLCs, etc.

RECOMMENDATION

Based on the refreshed offers received, Palmer Energy recommends that the City of Maumee execute a contract with Freepoint Energy Solutions for a term beginning with the June 2022 billing period through the May 2025 billing period.

Please note that the electric market has seen heightened volatility over the last several months. This has resulted in increased time-sensitivity on pricing proposed as all suppliers have the right to rescind pricing at any time based on intraday price updates. The rates shown in this recommendation are not final until a contract document has been fully executed by both parties, therefore returning a signed contract as quickly as possible will help ensure these rates are locked in for program participants.