

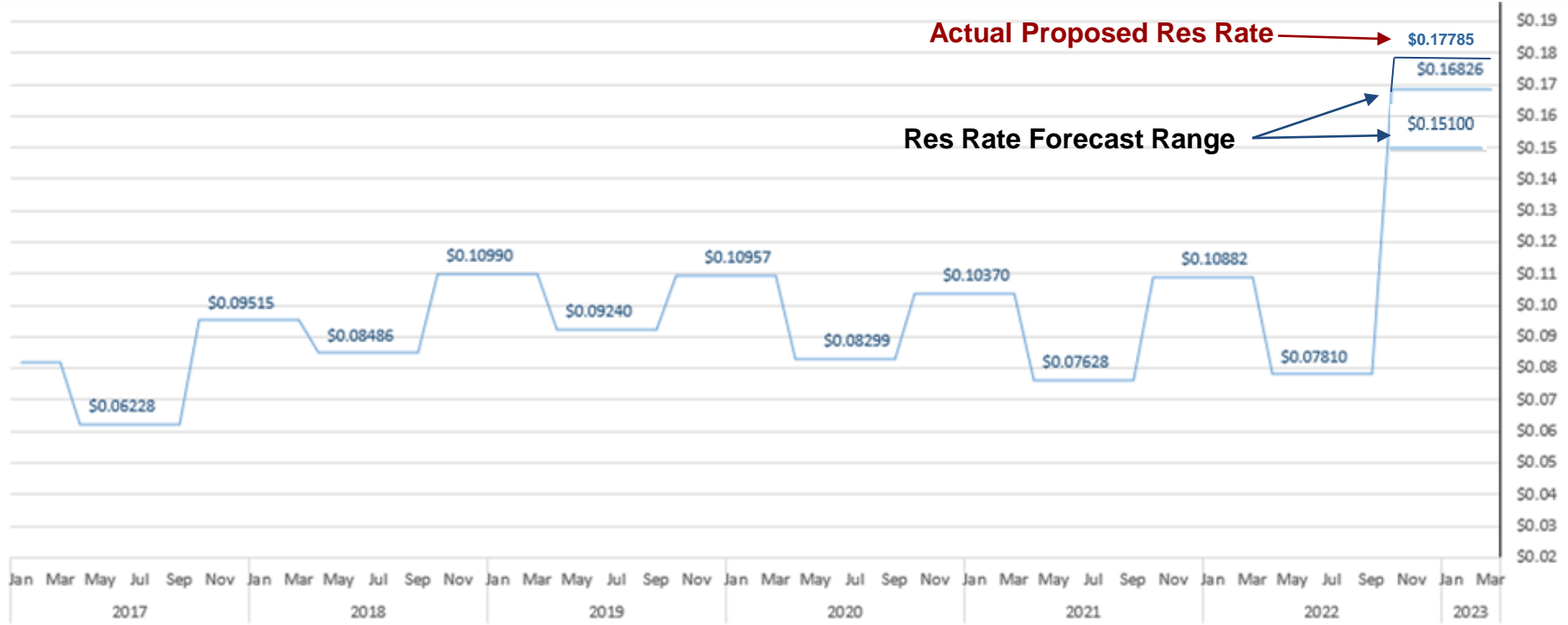
# Town of Narragansett



## Aggregation Program: Supplier Selection

September 19, 2022

# RI Energy Residential Rates



# Current residential market rates

Last Resort Service Oct-March: 17.785 cents/kWh

Three offers currently in Rhode Island:

Supplier		Contract Term	Rate	Energy Cost/Month	Est. Monthly Savings	Percent Renewable
 Meets state-mandated renewable energy standards  <a href="#">Company Info</a>		3 months	19.97¢	\$149.78	\$91.20 additional cost	N/A
			<a href="#">Plan Details</a>			
 ✓ Exceeds state-mandated renewable energy standards  <a href="#">Company Info</a>		12 months	23.75¢	\$178.13	\$119.55 additional cost	100%
			<a href="#">Plan Details</a>			
 ✓ Exceeds state-mandated renewable energy standards  <a href="#">Company Info</a>		6 months	24.9¢	\$186.75	\$128.17 additional cost	100%
			<a href="#">Plan Details</a>			

***In MA, offers ranging from 19 to 27 cents/kWh***

RI: from State's EmpowerRI online shopping marketplace (8/30/2022): [https://www.ri.gov/app/dpuc/empowerri/rate\\_card](https://www.ri.gov/app/dpuc/empowerri/rate_card)

MA: from State's EnergySwitch online shopping marketplace (8/9/2022): <https://www.energyswitchma.gov/#/compare/1/1/02176/>

# Current Bidding Process to Date

- Good Energy opened an initial bid November 2021
- Policy issues with PUC were not resolved until March 2022 that would allow for a seamless program launch
- Workshopped responses with suppliers to craft their response to be an effective program

# Reviewing the Bid Results

- Two finalists with different approaches:
  - Single-point in time procurement
  - On-going procurements with true-ups
- Municipalities approved launch criteria to execute an Electrical Service Agreement (ESA)
- Pursued opportunity to launch with single-point in time and mitigate rate increase this fall
- Supplier did not update to an executable bid in June and has now confirmed they cannot launch this fall

# Recommended Supplier Selection

- Particularly well suited for this highly volatile market and for enabling innovation in programs
- Supplier's product manages risk via 1) multiple procurements that create diversity and 2) with forecasts and true-ups in future periods
- Well tested with other regional aggregations in New England (20+ municipalities)
- Rhode Island's six other programs have signed with the supplier, and they are willing to extend substantially the same terms to Narragansett to join their buying group

# Request for Authorization

Proposed Resolution would provide:

- Empowering staff to sign an ESA on behalf of the Town
- Proposal must provide for the default product to be lower than Last Resort Service at the time of launch
- Require Solicitor review of agreement prior to executing

# Timeline to Launch

- **Sept:** Review & Execute ESA
- **Sept-Jan:** Supplier executes hedges
- **January:** Last Resort Auctions for period starting April 2023
- **Feb:** Last Resorts rate finalized for summer
- **March:** Mail Customer Notification Letters
- **March-April:** Opt-out period
- **May:** Launch!