



Legislation Text

File #: 24-0648, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of RFP 24-082, Energy Supply Consultant, to 1898 & Co., for an amount not to exceed \$163,000, and for a 60-day term

DEPARTMENT: Electric Utility

SUBMITTED BY: Brian Groth, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

In 2007, the City of Naperville entered into a contract with the Illinois Municipal Electric Agency (IMEA), a not-for-profit organization, to supply the City with energy and services through September 30, 2035. IMEA was formed in 1984 and currently provides energy and services to 32 municipalities throughout the State of Illinois. The City's goal of this long-term procurement was to provide stable energy prices to residents and businesses in the City.

The City, with just over 10 years left on the existing IMEA contract, must begin planning how to fulfill utility-required services and energy procurement beyond 2035. This timeline is critical because some options may take significant time to implement, just as the original IMEA contract took time to implement.

In December 2023, the Naperville Electric Utility issued RFP 23-240, Energy Management Consulting Services to solicit proposals from consultants to help the City in its planning efforts to provide a forecast of energy and capacity prices in 2035 and beyond. The RFP was created with stakeholder input including NEST and Clean. Unfortunately, this RFP did not yield any viable vendor proposals. Therefore, this RFP was split and rebid as two separate RFPs.

In February 2024, the Naperville Electric Utility issued RFP 24-082, Energy Supply Consultant, to solicit proposals from experienced and qualified consulting firms to evaluate and provide comprehensive energy market forecasting services.

DISCUSSION:

Advertisement Date:	02/07/2024	Notices Sent:	219
Opening Date:	03/13/2024	Planholders:	23
		Proposals Received:	02

Proposals were received from the following vendors:

1898 & Company
Ascend Analytics

A selection team comprised of staff from the Electric Utility, Finance Department and City Manager's Office evaluated the proposals, which were scored based on the criteria set forth in the RFP:

1. Capability, Capacity and Qualifications of the Firm (40%)
2. Suitability and Quality of the Approach/Methodology (30%)
3. Milestones and Deliverables (20%)
4. Outcomes to be Achieved (10%)

After reviewing and scoring the proposals, the selection committee only found one vendor, 1898 & Company, that demonstrated a clear understanding of the project's requirements and a feasible plan to meet the established timeline. The selection committee believes that 1898 & Co. is well-equipped to deliver the necessary consulting services effectively and efficiently. Based on their high qualification score, 1898 & Co. is recommended for the award. The table below provides a summary of the final qualification scores:

Vendor	Qualification Score
1898 & Co.	81.4
Ascend Analytics	41

Upon completion, the Consultant will provide City staff and City Council with the following data:

- A forecast of power prices, transmission prices as well as ancillary service prices and renewable energy mix at the Naperville Node in PJM Interconnection through 2042
- A forecast of capacity prices in the ComEd region of PJM through 2042
- Identification of assumptions, risks and benchmarks that are used for this report and should be monitored by the City.
- High-level summary of capacity, energy, and ancillary service pricing as well as energy procurement risks and renewable energy capacity and energy mix through 2042.

The term of the contract is 60 days from the date of execution of the Consultant Services Agreement, with no options to extend.

FISCAL IMPACT:

CIP#: N/A

Energy supply consultant services are expensed to the Other Professional Services account listed below. Although this item was not included in the 2024 budget, it is anticipated this can be accommodated within the 2024 budget. Staff will continue to monitor spending across the Electric Utility Fund and adjust future spending if necessary.

Account Number	Fund Description	Total Budget Amount
40101300-531309	Electric Utility Fund	\$173,300