

FAIRFIELD TOWNSHIP
RESOLUTION NO. 25-37

**RESOLUTION AUTHORIZING THE TOWNSHIP ADMINISTRATOR TO ENTER INTO AN
ELECTRIC AGGREGATION AGREEMENT WITH AN ELECTRIC SUPPLIER
RECOMMENDED BY ENERGY ALLIANCES, INC., THE COMMUNITY'S ENERGY
AGGREGATION CONSULTANT. THE TOWNSHIP ADMINISTRATOR CAN ENTER INTO
SUBSEQUENT AGREEMENTS WITH REGARD TO THIS PROGRAM
TO REDUCE COSTS AS NEEDED.**

WHEREAS: The Ohio Legislature has enacted electric deregulation legislation which authorized the legislative authorities of municipal corporations, townships, and counties to aggregate the retail electric loads located in the respective jurisdictions and to enter into service agreements to facilitate for those loads the purchase and sale of electricity; and

WHEREAS: The residents, businesses and other electric consumers within the community limits of Fairfield Township, Ohio have given permission to Fairfield Township to aggregate the retail electricity loads on their behalf by passing an Electric Aggregation ballot issue; and

WHEREAS: Fairfield Township has successfully completed and submitted to the State of Ohio all required paperwork to become a certified Competitive Retail Electric Service Provider in order to provide governmental aggregation services within the State of Ohio; and

WHEREAS: Energy Alliances, Inc. has researched and provided Fairfield Township with competitively bid electrical rates;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Trustees of Fairfield Township, Butler County, Ohio, as follows;

SECTION 1: The Township Administrator is hereby authorized and directed to enter into an agreement with a supplier to be named later for electric supply to Fairfield Township Electric Aggregation Program.

SECTION 2: That the Township Administrator can enter into an electric Master Service Agreement with an electric supplier recommended by Energy Alliance, Inc. and that the Township Administrator can further execute subsequent agreements as needed with regard to stabilizing electric costs.

SECTION 3: That the agreement will consist of a "Opt-In" contract.

SECTION 4: That any qualifying resident, businesses and other electric consumers within the community limits of Fairfield Township, Ohio can request, at any time and without cost, to switch the type of energy resource used by contacting Energy Alliances, Inc., or the chosen supplier.

SECTION 5: That any qualifying resident, businesses and other electric consumers within the community limits of Fairfield Township, Ohio can request, at any time and without cost, to "Opt-Out" by contacting Energy Alliances, Inc. or the chosen supplier.

SECTION 6: The Board hereby dispenses with the requirement that this Resolution be read on two separate days, pursuant to RC 504.10, and authorizes the adoption of this Resolution upon its first reading.

SECTION 7: This Resolution is the subject of the general authority granted to the Board of Trustees through the Ohio Revised Code and not the specific authority granted to the Board of Trustees through the status as a Limited Home Rule Township.

SECTION 8: That it is hereby found and determined that all formal actions of this Board concerning and relating to the passage of this Resolution were taken in meetings open to the public, in compliance with all legal requirements including §121.22 of the Ohio Revised Code.

SECTION 9: This Resolution shall take effect at the earliest period allowed by law.

Adopted: February 11, 2025

Board of Trustees


Vote of Trustees

Michael Berding:



yes

Shannon Hartkemeyer:



yes

Joe McAbee:

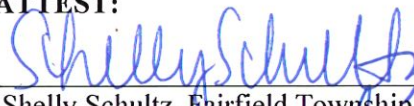


yes

AUTHENTICATION

This is to certify that this is a resolution which was duly passed and filed with the Fairfield Township Fiscal Officer this 11th day of February, 2025.

ATTEST:



Shelly Schultz, Fairfield Township Fiscal Officer

APPROVED AS TO FORM:



Katherine Barbieri, Township Law Director

MEMORANDUM

TO: Kim Lapensee, Township Administrator, Fairfield Township
FROM: Rich Surace, COO, Energy Alliances
DATE: February 7, 2025
RE: Electric Aggregation Renewal Recommendations

Background

The Township's current electric aggregation program at a rate of 6.84¢ per kWh began with the June 2023 Duke bill and expires on the May 2025 Duke bill.

From June 2023 through December 2024, the average participant saved over \$400 (22%) with the total savings across the community at \$1.9 million.

The results from a Request for Pricing (RFP) conducted by Energy Alliances are provided below with a recommendation for the Board to consider.

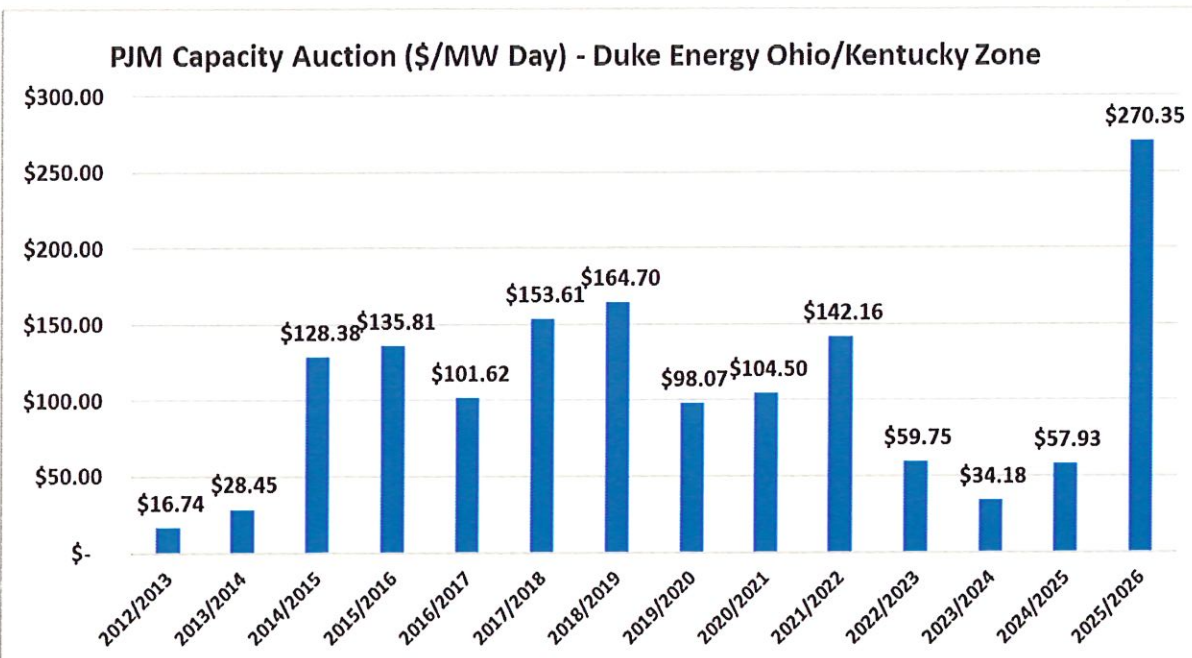
Pricing Component Overview

The two largest components in an electric aggregation rate are the cost of Power and Capacity.

Power – The cost for a supplier to generate their own power or purchase the power from the market to then resell to the end use customers (i.e., residents, business, etc.).

Capacity – The cost assumed by all power customers to assure there is enough generation available to meet the power demands.

When reviewing the prices below, you will notice a significant increase from the expiring rate. The main reason for this is the increased cost of capacity. Here is a graph showing the capacity cost over the last 14 years.

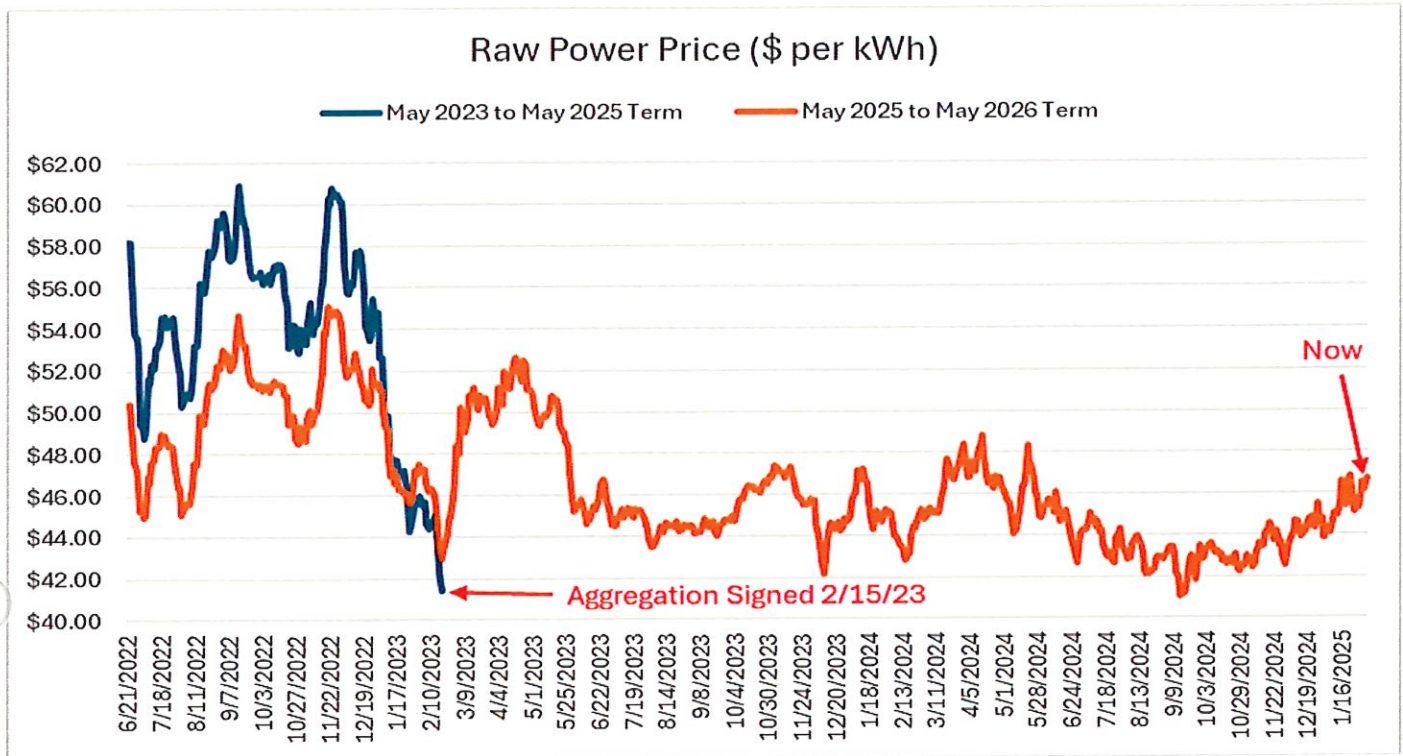


*A planning year is June of one year to May of the following year.

I would not focus on the actual capacity values, but how the value of 2025/2026 has increased by more than 4.5 times from the capacity rate the aggregation customers are currently paying.

To put this increase in perspective, with the expiring aggregation program rate of \$0.0684 per kWh, capacity made up approximately \$0.0116 per kWh. With the new aggregation rate, capacity cost is approximately \$0.0264 per kWh of the total price.

In addition to capacity, the power component has increased since the expiring aggregation was signed on February 15, 2023.



RFP Results

Our expectation is that Duke’s “price to compare” starting in June 2025 will be 9.5¢ to 9.7¢ per kWh with some outside sources indicating the Duke rate could be over 10¢ per kWh.

The RFP was mailed to 4 suppliers with two responding. Here are the results per response on December 18, 2024.

Supplier	May-26	Sep-26	Dec-26	May-27
Constellation	\$ 0.0904	\$ 0.0915	\$ 0.0913	\$ 0.0937
Dynergy	\$ 0.0897	\$ 0.0932	\$ 0.0941	\$ 0.0976

These prices are not final. We are waiting on a new dataset from Duke which should improve pricing.

Recommendation

Energy Alliances plans to attend the February 11th Board meeting with updated prices. We would like the Board to consider giving the Township Administrator authority to sign at an “at or below” rate that will be finalized ahead of the February 11th meeting. The Board has used this strategy in the past.

Kimberly Lapensee

From: Rich Surace <rsurace@energyalliances.com>
Sent: Tuesday, February 11, 2025 10:02 AM
To: Rich Surace
Subject: Duke's March Gas Cost Recovery (GCR) Rate

Good morning

We know that many of you have received resident inquiries (emails, calls, social media) about the aggregation programs due to the extremely cold weather in recent weeks. Many of those concerns focus on AEP Energy and the gas supply charges.

I wanted to share that last night Duke filed with PUCO their Gas Cost Recovery (GCR) rate for March 2025 at \$0.9639 per ccf. Your aggregation rate is \$0.5894 per ccf. March is historically the 3rd highest usage month for a resident.

It is this sort of fluctuation that can happen with Duke on why you take the risk of utilizing an aggregation program to protect your residents. Those that chose to stay on the program will benefit from a significant saving compared to Duke's GCR.

Thank you again for your partnership and trust in Energy Alliances.

-Rich

Rich Surace
Chief Operating Officer
rsurace@energyalliances.com



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<http://www.energyalliances.com>

In business since 1985

Certified Ohio Competitive Retail Electric & Natural Gas Service Provider

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