



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

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TRANSMITTAL LETTER FOR BOARD MEETING OF SEPTEMBER 3, 2015

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Report on Demand Response/Energy Curtailment Services provided by EnerNoc, Inc

Dear Sir:

At the Board Meeting of March 20, 2014, the Board of Commissioners authorized the Director of Procurement and Materials Management to enter into an agreement with a successful Proposer(s) for Demand Response or Curtailment Service Providers through an online auction to be conducted by World Energy Solutions, Inc. (WES).

On April 1, 2014, WES conducted the online auction in which EnerNoc, Inc. was the successful Proposer. EnerNoc, Inc. offered a price of \$38,950.00 per megawatt-year for paid capacity, less a five percent (5%) transaction fee to WES.

On September 26, 2014, the District participated in a one-hour mandatory test and successfully met the commitment for the June 1, 2014 through May 31, 2015 program. The District curtailed 29.5 megawatts which resulted in a payment to the District of \$1.09 million. Since then, the District again participated in a one-hour mandatory test on June 4, 2015 for the June 1, 2015 through May 31, 2016 program, during which the District successfully curtailed 50.3 megawatts. This will result in a quarterly payments in 2015 and 2016 of approximately \$1.87 million.

Since 1997, the District has participated in various curtailment programs. Through voluntary curtailments by the District and other participants, the curtailment providers have been able to defer the need for additional generating capacity necessary to meet the very short-lived peak demands expected during the summer months. Due to participation in these programs, the District has been compensated a cumulative savings of \$8.0 million since 1997.

Respectfully Submitted, Manju Prakash Sharma, Director of Maintenance and Operations, AQ:SO'C
Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management