

City of Bay Village

Council Minutes, Committee Session
Dwight A. Clark, President of Council, presiding.
Council Chambers.

April 6, 2026

President of Council Dwight A. Clark called the meeting to order at 7:00 p.m.

Present: Dwight A. Clark, President of Council.
Lydia DeGeorge, Vice President of Council and Councilwoman, Ward 2.
Sara Byrnes Maier, Council-at-large.
Peter J. Winzig, Council-at-large.
Steve Swidarski, Councilman, Ward 1.
Michael Greco, Councilman, Ward 3.
Mayor Koomar.

Excused: Dan Rettig, Councilman, Ward 4.

Also Present: Law Director Mark Barbour, Assistant Finance Director Diane Truman, Police Lieutenant Eric Tuisku, Fire Chief Chris Lyons, Building Director Eric Tuck-Macalla, Cathy Flament, Bay Village Historical Society and Director of Rose Hill Museum, Don Bierut, P.E., City Engineer, Tom and Laura Sherman, Sustainable Energy Services, Clerk of Council Joan Kemper.

AUDIENCE.

Eric and Cynthia Eakin, Bruce Geiselman.

ANNOUNCEMENTS

**Cathy Flament, Director
Bay Village Historical Society
Celebration Plans for America's 250th Anniversary.**

Cathy Flament, Director of the Bay Village Historical Society, addressed City Council and the Administration regarding the many activities planned by the Historical Society in commemoration of the America 250 Celebration.

Ms. Flament provided the newest copy of the North Eastern Ohio Inter-Museum Council brochure that provides information on over 140 museums. Visitors who bring the brochure with them can get a stamp or sticker, using it like a passport. The packet also includes an overview of their events and a membership form.

The Bay Village Historical Society is excited about America 250. The main focus has been the transformation of the Osborn Learning Center, located in the Osborn house, built in 1814, the oldest frame house between Lorain and Cleveland.

This winter the house was stabilized, and the first-floor walls were painted. Ms. Flament expressed appreciation to the City for their assistance with the project, especially Mary Kay

Costello, Director of Public Service and Properties, and Paul Greenwell, Public Works Supervisor, for their support with this project.

The Historical Society has taken this opportunity to completely redo the first floor to focus on America 250. The north room has been dedicated to the Revolutionary War soldiers of Dover, two from Bay Village and six from Westlake. They have created displays honoring these men, relaying their individual stories and what life was like for them and their families. Featured is a mannequin of a soldier donated by the Sons of the American Revolution, in uniform complete with equipment he would have carried.

Native Americans were prevalent in this area for centuries. The east room is partially dedicated to them, featuring baskets, points and stones from their collection. A high school student completed his Eagle Scout project with the Historical Society by researching Indigenous people in the area, and his paper and a short film are featured. This area includes the chair that was entrusted to the society this past year that belonged to Lorenzo Carter, the first settler of Cleveland which was passed down through the family.

The remaining room features another recent donation of boat models designed and built by Henry Wischmeyer Jr. The Wischmeyer's owned a hotel on Lake Road just west of Glen Park. These will complement the current display at Rose Hill. This grouping also includes half models which were a way boat builders were able to experiment with various designs.

Rose Hill will be "Celebrating Milestones" as they feature various centennials, bicentennials, etc, over the years, including the Cahoon reunions.

Every Sunday, Rose Hill, the Osborn Learning Center and the cabin are open from 2-4:30 p.m., except on holidays. featuring demonstrations at Rose Hill and activities at the Osborn Learning Center, with information on programs on specific dates on the Bay Village Historical Society website.

The remaining Sundays throughout the year they will sponsor informal talks with individuals who are knowledgeable about various aspects of this time period along with the War of 1812 and dating back to when Bay Village was a French Colony. These will be informal discussions, and visitors may drop in any time.

The Bay Village Historical Society website includes up-to-date information on current topics and activities. Children's activities will be offered, such as decoding spy messages and scavenger hunts. Programs include former members of the Bay Village Revolutionary Militia that was active in the 70's and the opportunity to meet two descendants from Pennsylvania of Revolutionary War soldiers who have completed extensive research.

In June, John Burke, an interpreter of Native Americans and historic figures, dressed in regalia, will be presenting "Captain Wolf," a Delaware Indian who lived in Medina County and was active in the War of 1812. This will be at the gazebo in Cahoon Park with the library as back-up if it rains. He will be returning again, later in the summer, representing a Revolutionary Soldier.

On June 27, 2026, the Historical Society is sponsoring the Cleveland Art Museum's outreach program from 10 a.m. until 12 p.m. at the Bay Village Police Station, joined by the Rocky River Historical Society. The event is free, but there is requested an advanced sign-up on the Bay Village Historical Society website by June 6 to ensure enough supplies.

Pioneer Days will be including America 250 activities from July 20-24th, a three hour per day program for children going into grades 3-6. Register on the Bay Village Historical Society website beginning April 15. A state award for this program will be officially given for this program in the near future.

A cemetery tour, featuring the Revolutionary War of 1812 soldiers from Bay Village is planned for the fall with a date to be determined.

Ms. Flament concluded her presentation, noting that the Bay Village Historical Society and Rose Hill Museum have an exciting and busy schedule planned, and it is hoped that many will take advantage of these events multiple times throughout the year.

COMMITTEE OF THE WHOLE

Laura Sherman, Sustainable Energy Services. Residential Aggregation Program.

Laura Sherman, Sustainable Energy Services presented the attached PowerPoint presentation to explain the proposed electric residential aggregation program. A copy of Ms. Sherman's presentation is attached to these minutes, as if fully incorporated herein.

Overview of Energy Aggregation Goals and Market History

The aggregation program aims to provide competitive, fixed-price energy options to residents and small businesses, protecting them from market volatility and simplifying choices. Natural gas is a key driver, accounting for about 50% of power generation in the region, and its price fluctuations significantly influence electricity costs. Historical market data show volatility influenced by weather, supply and demand, and events like COVID-19, with recent price spikes due to cold weather in January and February. The Iran war has affected oil prices but not significantly impacted natural gas prices yet. The aggregation offers a fixed rate alternative to variable rates from First Energy, helping customers budget their energy costs.

History and Current Status of Bay Village Aggregation Contracts

Bay Village voters authorized aggregation, and the City of Bay Village holds a governmental aggregator certificate. The City previously secured a fixed electricity rate of 5.04 cents/kWh under Energy Harbor during a period of soaring prices caused by the Russian war. In October 2023, a new contract was awarded to Dynegy at 7.351 cents/kWh for a three-year term starting November 2023, going to November 2026. As this contract nears expiration, a new bidding process was conducted with Dynegy, Direct Energy, and Constellation bidding, with Dynegy again emerging as the lowest bidder. The aggregation currently serves 4,964 customers on the standard product and 42 residents on a 100% renewable wind product, which customers can opt into by contacting

Dynegy.

Market Comparisons and Pricing Trends

First Energy's standard service offer (SSO) rate recently increased to 9.88 cents/kWh and is expected to rise to about 11/kWh cents after three months. NOPEC's rate is also increasing from 8.99 to 9.99/kWh cents. Market prices for three-year contracts range from 10 to 15 cents/kWh, representing a significant increase from past low rates such as the 5.04 cents fixed rate. The current fixed rate from Dynegy is around 10.16 cents, with the green product slightly higher at 10.42/kWh cents. These price increases are attributed mainly to infrastructure and transmission buildout driven by data center growth, cryptocurrency mining, and electric vehicle charging demands, which have caused capacity prices to surge dramatically.

PJM Grid Operator and Capacity Pricing

PJM, the regional grid operator covering 13 states plus DC, manages electricity supply and demand, ensuring system reliability. Capacity prices, which constitute about 25-30% of the total electricity price, have risen sharply due to increased demand and limited supply, especially from new data center loads. A price cap set by PJM and the Federal Energy Regulatory Commission (FERC) limits capacity prices to approximately \$300 per MW-day, preventing even higher spikes that could have reached \$550. Despite the cap, capacity prices have increased significantly from historical lows, contributing to overall higher electricity costs. PJM typically maintains a reserve margin of 24-28%, but it has recently dropped to 14%, indicating tighter supply conditions.

Components of Electricity Pricing and Aggregation Contract Process

Electricity pricing consists mainly of energy costs (about 70%) and capacity costs (about 25-30%), with smaller components making up the rest. The aggregation program secures fixed rates by negotiating with suppliers who must comply with Ohio regulations and provide dedicated customer service for Bay Village. The recent bidding process emphasized no switching fees or termination penalties, allowing customers flexibility to opt in or out without cost. Dynegy offered the lowest bids for various contract lengths, with a three-year term at about 10.16 cents/kWh for standard service and 10.42/kWh cents for the green product. Dynegy also proposed an \$18,000 rebate over three years for energy efficiency projects such as HVAC upgrades or LED lighting installations in city facilities.

Mr. Swidarski asked for an example of the type of City projects the \$18,000 rebate would cover.

Ms. Sherman stated that the City did receive funding for new HVAC systems. It could also be for new lighting, or new windows, or any project that will improve energy efficiency. The energy audit conducted by Sustainable Energy Services was part of that and gave the City a new game plan for the next five years. The amount of \$6,000 per year is required to be spent over the three-year period of the rebate.

Mr. Winzig noted that new LED lights were installed at the municipal swimming pool as a result of the rebate offering.

Next Steps and Customer Options

If approved by City Council, the new contract with Dynegy will be signed, and residents will receive opt-out letters around mid-September, complying with Ohio code requirements. Customers can choose to remain on the fixed-rate aggregation or switch to other variable rate options, including First Energy or other suppliers listed on the PUCO Apples to Apples website. Mr. Winzig pointed out that residents can switch suppliers without incurring switching or termination fees.

The current natural gas aggregation program in place for the City of Bay Village is currently at 0.558 per CCF. The natural gas aggregation program is renewing with Direct Energy at about \$0.73 per CCF, reflecting increased pipeline fees. The green product options require customers to actively opt in by contacting Dynegy.

Broader Energy Market Considerations and Future Outlook

The document addresses concerns about the potential for corporations, especially data centers, to create their own power sources, noting that while onsite generation is being considered, it requires lengthy approvals. The energy market is expected to remain tight for the next several years due to high demand and slow infrastructure development. PJM acknowledges the need for significant investment in new power plants, but high costs and investor hesitance pose challenges. The war in Iran and geopolitical factors could influence natural gas prices if prolonged. Overall, the Bay Village energy aggregation program continues to provide a valuable fixed-price option for residents amid rising energy costs driven by market dynamics and infrastructure demands. The program balances competitive pricing, consumer protection, and renewable energy options while navigating complex regional and national energy challenges.

Mr. Geiselman asked if Council approves the contract with Dynegy this evening the 10.16 cents/kWh will be the price.

Ms. Sherman stated that the 10.16/kWh was today's price. Prices change every day. Suppliers do not hold prices because they do not know what is going to happen with the market. It could be a little up or down from that price once the Mayor signs.

The 100% renewable option for residents will require notification by telephone or email from residents.

An audience member asked if data centers will begin creating their own grids.

Ms. Sherman stated that they will not necessarily create their own grids, but they could create their own power sources, which is being discussed presently as something of interest. There should be some relief in the next five years, noting that it is difficult to get investors to build power plants due to the cost.

Mr. Swidarski asked Ms. Sherman her familiarity with the Jones Act, which restricts shipping of

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natural gas on foreign vessels within U.S. ports. He asked if this is a possible factor affecting supply logistics or prices and if legislative changes are anticipated at the federal level.

Ms. Sherman stated that she is not aware of the Jones Act but noted that there was liquified natural gas shipped over on tankers during the Russian war, which is what spiked the natural gas prices for Europeans. Producers do want to go where they can get the best price for their products.

Laura Sherman was thanked for her presentation this evening.

**Don Bierut, P.E., Chagrin Valley Engineering
Capital and Infrastructure Projects Update.**

Mr. Don Bierut, P.E., Chagrin Valley Engineering stated that there at least six or seven ongoing projects related to various city infrastructure projects focusing on water line replacements, smoke and dye testing, and related repairs to improve water and sewer systems.

A couple of years ago the City undertook a massive smoke and dye testing program. Private property owners who had issues were notified, and the City also had issues with catch basins and pipe relining. Several years ago, the City entered into an agreement with the Cleveland Water Department for the Suburban Watermain Renewal Program. The City has filed applications for that program and has been successful receiving funding on many of them. When waterlines leak they go into the pavement and deteriorate other things than just the water lines. Water does not know any boundaries, which makes it difficult.

Mr. Beirut referred to the Westlawn Drive project as a good example. Not only does the water line need to be replaced, but there are pavement base issues underneath the pavement. The pavement itself has issues; there is flooding along the curb lines. What starts off as a water line job and just resurfacing the deeper you go; the more work has to be done. In regard to water lines in the City, there is at least one that is 100 years old; some of the newer ones are 60 or 70 years old. We are trying to get into these streets, do what needs to be done on a long-term basis and then get out. The easiest thing to do is to put asphalt down and cover it up; that is not a long-term solution. Westlawn is a project just like that. There are base problems, curbing problems along with the water line. So, the thought is to get in there and make those corrections and then get out again. It will be a brand-new road when finished.

The second item on the list is Phase Two of the Smoke and Dye Testing Program, which is the same as the project done a couple years ago on a smaller scale. A map of the program was distributed to Council by the Director of Public Service and Properties Mary Kay Costello. The program is to identify issues in specific areas, with plans to expand testing on East Oakland.

The City share of the Smoke and Dye Testing has revealed that the City's system also needs attention. It was originally thought that they would fix catch basins that were along the water mains to the sanitary system. A closer look revealed that it was not only catch basins, but there were long sewer runs that had to be fixed, and problems with the storm sewer system. There is a considerable amount of drainage work that needs to be done in eleven different areas. Director Costello distributed a map of the areas.

In regard to the Bruce/ Russell/Douglas water main replacement, a major project replacing approximately 4,500 feet of water line, was awarded through the Cleveland Water Department. It is very different than the Westlawn project. The project includes lead service connections for about 30 to 40 homes, with additional surface repairs, i.e., catch basins, curbs, under drains below the curbs, planned for the following year. This year only the waterline related work will be done. Approximately 30 homes have lead connections. It will be “buttoned-up” for the winter, with return next year for additional work. Funds will need to be appropriated in 2027 for the concrete and asphalt work.

Some projects such as the Wolf Road resurfacing were delayed awaiting county funding, leading to reallocation of funds and phased work plans. The city is working closely with Cleveland Water Department to secure grants and coordinate water line and sewer repairs for efficient, comprehensive infrastructure upgrades.

A waterline project for Glen Park Drive, from Wolf Road to Normandy Road, approximately 750 feet, can be done this year without issues.

Mr. Bierut noted that a county grant of \$250,000 for resurfacing the north section of Bradley Road will be transferred to Wolf Road repaving, from Bradley Road to Bassett Road, due to sewer reconstruction at the north end of Bradley Road.

The Mayor commented that Russell, Douglas and Bruce Roads really just needed new curbs and under drains, and also some of the storm sewers. Because of all the water they wanted to rebuild the top two or three feet. We are fixing those things because otherwise if we come in and we just do that, we are going to have to come back and deal with those in a couple of years.

Mr. Greco asked how far along the Bruce/ Russell/ Douglas project is at this point.

Mr. Bierut stated that part of it was done last year, as part of the bigger project for the sanitary sewers. Then we went down Lake Rd. and connected everything up. That portion is obviously done. This is all starting anew for the 4500 feet, which is almost a mile of water line. The Douglas/Lake section is done. Douglas Rd., from Bruce Road up to Wolf Road, and then Russell Rd., and Bruce Road up to Dover Center Rd. (the horseshoe) is 4500 feet. We are trying, in the next month, to get those numbers for what we need to do to be holistic about it and then come back to Council for that, because some of that might have to be bid in the fall. Mr. Bierut stated that the thought is to do the roadway portion in the fall so they can start in early spring or late winter. The Mayor commented that one of the things pulled out that we did not appropriate in the capital budget, was converting to LED streetlights, because First Energy was changing representatives so frequently. First Energy may roll out some new programs in the near future that will require less Capital dollars from the City. The energy costs will about equal what we would do in a Capital outlay up front. We are trying to put all that together and get it back to Council.

Mr. Bierut noted that when the testing was done a couple of years ago, inevitably homeowners had to be notified that there were deficiencies on their property that they were responsible to fix. Of the 209 found, the response has been fantastic. Residents have come to the Building Department and are making the needed repairs and adjustments.

The Mayor stated that the City was notified by the Cleveland Water Department of the next round of funding which will be replacing another mile of water lines, including East Oakland from Fordham to Forestview, Osborn, which we think is from Douglas to Glen Park, Henry and Douglas from East Oviatt to Osborn. Mr. Bierut commented that of the sixty to seventy applications, only seven received awards.

The Mayor noted that part of the Phase 2 testing will include the sanitary pipe over to Clague Road. New pipe was put in, but people are misconnected with possible residual problems.

Mr. Beirut noted that when the contractor was doing projects last year, they were running into clear water coming into the system on dry days, most probably from a leak in the Cleveland Water system. The Mayor stated that when there are severe watermain breaks, it will flood a resident's basement, noting a specific example of where water will go when there are bad breaks.

Mr. Clark stated that this has been a informative presentation in many different directions. It has been the Council's main priority over the past couple of years since the rains we have had, to tighten up both the storm and sanitary systems. Progress has been made. It has not been made fast enough just because the entire system is so overwhelmed to some extent, but we are making good progress. We appreciate the updates. We are scheduled to have Jeff Filarski, from Chagrin Valley Engineering, address Council in June and he will include an update on the Equalization Tank construction project.

Mr. Bierut was thanked for his presentation this evening.

FINANCE AND ADMINISTRATION COMMITTEE -Winzig, DeGeorge, Maier, Clark

Amended Appropriation Ordinance. Ordinance on the agenda for the Regular Meeting of Council this evening.

Mr. Winzig reported that there is no net change on the total spend, it is just moving project dollars to cover the projects just discussed. Ms. DeGeorge met with Director Costello this evening to review projects. Mr. Winzig recommended adoption of the amended appropriation ordinance this evening.

PARKS, RECREATION & COMMUNITY SERVICES COMMITTEE- Greco, Winzig, Swidarski.

Mr. Greco had no report this evening.

PUBLIC IMPROVEMENTS, PLANNING & UTILITIES COMMITTEE -DeGeorge, Winzig, Rettig.

Agreement with Equix, Inc. for a Smoke and Dye Testing Program. Ordinance on the agenda for the Regular Meeting of Council this evening.

Ms. DeGeorge reviewed the proposed agreement noting that the contract for \$224,241.50 may be subject to additional cost if there are issues found on private property. The contract work will begin in late April and continue through August of 2026.

Director Costello stated that \$375,000 was budgeted and they will try to keep to the limit of the contract, but the contract may be expanded in terms of the services requested as we look at different infrastructure.

Ms. Maier noted that the 2024 Smoke and Dye Testing program addressed 25% of the City infrastructure. Director Costello stated that the contract with Equix Inc., will also be for 25% of the City. Director Costello noted that some neighborhoods have higher concentrations. Chagrin Valley Engineering also looked at the age of the development and felt that 25% was a good estimate.

Agreement with Amrize Ltd. for street resurfacing material and service. Ordinance on the agenda for the Regular Meeting of Council this evening.

Ms. DeGeorge noted that there has been a price increase in materials. Director Costello stated that the price increase is nominal, and well within budget amounts.

Agreement with Stoneco, Inc., (dba Allied Corporation), for street resurfacing material and service. Ordinance on the agenda for the Regular Meeting of Council this evening.

Director Costello stated that the price has decreased from last year and recommends adoption of the ordinance authorizing the agreement with Stoneco.

Agreement with Westview Concrete Corp. for the furnishing of ready-mix concrete. Ordinance on the agenda for the Regular Meeting of Council this evening.

Ms. DeGeorge noted that the price quoted by Westview Concrete Corporation for ready-mix concrete is the same as last year.

Agreement with Terrain Tech Construction Inc. for the Westlawn Drive Watermain Replacement and Pavement Resurfacing Project. Ordinance on the agenda for the Regular Meeting of Council this evening.

Ms. DeGeorge stated that City Engineer Don Bierut spoke regarding this project this evening. The Cleveland Water Department has identified the mains for replacement, the awards for Bay Village, and the total construction cost. Work is expected to be completed by the end of October.

Director Costello noted that Terrain Tech Construction Inc. is a new contractor for Bay Village, but well vetted by Chagrin Valley Engineering. On-site inspection is included, by both the

contractor, the City, and the Cleveland Water Department.

Agreement with Karvo Companies, Inc. for the 2026 Pavement Partial Depth Repairs. Ordinance on the agenda for the Regular Meeting of Council this evening.

Ms. DeGeorge stated that partial depth repairs involve removing the top layer of the road surface, to place new asphalt and seal around the repair.

Agreement with Dynegy Energy Services (East), LLC, D.B.A. Dynegy Energy Services, LLC. for the supply of electric services to Bay Village residents as governmental aggregators. Ordinance on the agenda for the Regular Meeting of Council this evening.

Ms. DeGeorge stated that this ordinance will allow the City to proceed with the agreement with Dynegy Energy Services, LLC. for electricity aggregation. The City will monitor the price of electricity and enter into the contract at the most advantageous point.

Mr. Clark commented that he has asked the administration to summarize the total cost of the projects outlined by City Engineer Don Bierut this evening, as well as the funding source.

PUBLIC SAFETY & SUSTAINABILITY COMMITTEE-Swidarski, Rettig, Greco.

Mr. Swidarski had no report this evening.

SERVICES, FACILITIES & EQUIPMENT COMMITTEE- Maier, Swidarski, DeGeorge.

Ms. Maier had no report this evening.

TECHNOLOGY & DIGITAL INFRASTRUCTURE COMMITTEE-Rettig, Greco, Maier.

Mr. Rettig was excused this evening. Mr. Clark noted that Mr. Rettig lost his mother recently and asked that the Council keep the Rettig family in their prayers.

MISCELLANEOUS

The next meeting of Council will be held on Monday, April 20, 2026, with a review of the Lakefront Improvement Project by the Smith Group.

Mr. Swidarski noted that the Technology and Digital Infrastructure Committee chaired by Mr. Rettig will hold their first meeting on Monday, April 20, 2026, at 6 p.m.

Mr. Swidarski reviewed a Meet and Greet event he held on March 24 for Ward 1 residents where he enjoyed the opportunity to meet and interface with residents of his ward. He thanked Law Director Barbour and Councilwoman DeGeorge for their attendance at that event.

Mr. Swidarski noted power outages on Huntmere Rd., Parkside Drive, and Oakmoor Rd., and one resident noted that service has been lost four times since the beginning of 2026.

A girl scout group has asked Mr. Swidarski for permission to address Council regarding a project to save honey bees. Mr. Clark asked that he will discuss further with Mr. Swidarski the scheduling of a presentation by the troop in June.

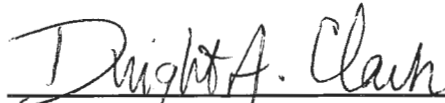
Mr. Winzig stated that in reviewing the Capital projects, he has spoken with Finance Director Milton about creating a multiplier, or a rough estimate of a certain number of dollars per foot for a project, including additional costs. Looking at projects for the coming year, it would be calculated at a specific amount per foot. Cleveland Water Department uses a number of \$315.00, but that is just the water portion. There is engineering, support services from the City, and potential curb and paving. Mr. Milton will determine the multiplier amount so that when looking at future projects it will help with the budgeting and eliminate appropriation changes.

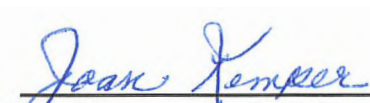
AUDIENCE

There were no comments from the audience this evening.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 8:22 p.m.


Dwight A. Clark, President of Council


Joan Kemper, Clerk of Council



City of Bay Village Electric Aggregation Update

City Council | April 6, 2026

Definitions and Acronyms

kWh: means 1000 watt-hours of electricity (100 watt light bulb for 10 hours = 1000 watt-hours or 1 kWh)

MWh: means 1000 kWh

100% Renewable: Electric supply sourced from 100% National Wind or Solar

Government Aggregation: An eligible governmental entity acting exclusively under Section 4928.20 of the Revised Code as an aggregator for the provision of Competitive Retail Electric Service (CRES).

Federal Energy Regulatory Commission (FERC): The commission that has jurisdiction over electric utilities.

New York Mercantile Exchange (NYMEX): A market for trading commodities regulated by the Commodity Futures Trading Commission.

Northeast Ohio Public Energy Council (NOPEC): a variable energy aggregation program serving communities in NEO.

PJM: The PJM Interconnection is a regional transmission organization (RTO) that coordinates the movement of wholesale electricity across 13 states and Washington, D.C. with 67 million customers

ATSI: American Transmission Systems, Inc. is a transmission utility zone within PJM Interconnection, primarily covering Northern Ohio which includes FirstEnergy - The Illuminating Company

Standard Service Offer (SSO): is set by an auction process to procure full requirements service for Standard Service Offer (“SSO”) customers of FirstEnergy utilities, such as The Illuminating Company

City of Bay Village: Aggregation Goals

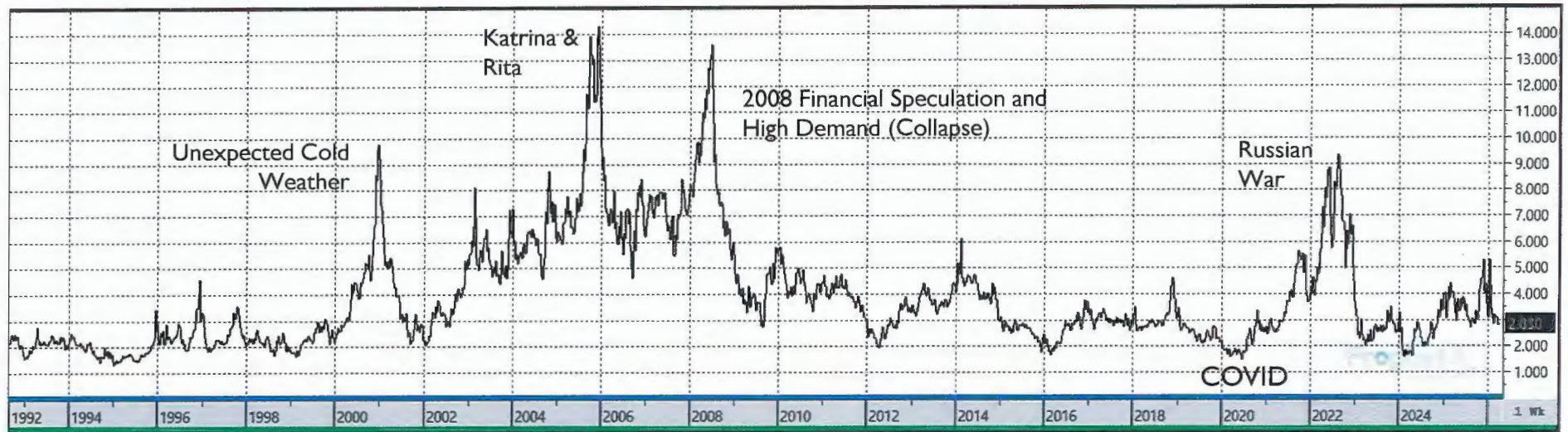


- Be Competitive
- Provide a Fixed Price Option
- Protect Residents
- Simplify & Reduce Confusion



Natural Gas History (NY Mercantile Exchange)

Volatility in wholesale energy markets is the one constant



- Natural Gas is the dominant fuel for power plants and price trends in the two markets can strongly correlate.
- Forecasts of US electricity demand have increased significantly over the next five years due to Data Center growth.
- When Iran War started, gas prices were mostly unaffected, but War threatens to inject volatility at any point.
- NYMEX daily settle for April 2, 2026 = \$2.80/MMBtu



History

- In the May 2015 general election, Bay Village voters authorized the City to establish a municipal opt-out electric aggregation program.
- The City is certified by the Public Utilities Commission of Ohio (PUCO) as a governmental aggregator.
- 2018/2019 – SES assisted the City in negotiating its new contract
 - Energy Harbor was the winning supplier
 - Electric rate fixed at 5.04 cents/kWh for during one of the most volatile electric markets in the last 15 years with electricity prices soaring to more than 12 cents/kWh in the summer of 2022.
- October 2023 – Energy Harbor contract was expiring
 - SES conducted a robust bid process with multiple suppliers
 - Dynegy was winning supplier with fixed rate at 7.351 cents/kWh from November 2023 – November 2026.
- September 5, 2025 – First Issue of RFP (Request for Pricing) – Constellation could not price for a November start. RFP was scheduled for re-issue in 2026
- February 12, 2026 – SES re-issued the RFP and all three qualified electric suppliers participated: Direct Energy, Dynegy and Constellation.
- March 5, 2026 – All three suppliers submitted their proposed pricing and terms.



Electric Aggregation Program

Choosing a fully fixed rate gives City residents and small businesses predictability with their electric supply charges and protects them from market spikes. Other programs like the SSO and NOPEC are based on a variable rate.

Current Supplier: [Dynergy](#)

Utility: [The Illuminating Company](#)

Contracted rate – 7.351 cents/kWh

Current Term: 36 months

- As of April 2026 – 4,964 customers on standard product
- 42 customers on renewable product

Current FE SSO rate = 9.88 cents/kWh (3-month rate)

Forecasted FE SSO rate = 11.00 cents/kWh

Current NOPEC rate = 8.99 cents/kWh

June 1 NOPEC rate = 9.99 cents/kWh (3-month rate)

Comparable electric offers from third party suppliers range 9.99 to 15.49 cents/kWh with many requiring early termination fees or monthly fees as seen on PUCO Apples to Apples.



Aggregation Contract History

Chart 1. CEI Default vs. NOPEC vs. Aggregation Price Comparison: Nov 2019 - Nov 2023



Chart 2. CEI Default vs. NOPEC vs. Aggregation Price Comparison: Nov 2023 - Nov 2026





Aggregation Contract History

Contract	Supplier	Rate	Date Signed	Start	End	Term in Months
Electric	Energy Harbor	5.040 cents/kWh	May-19	Nov-19	Nov-23	48
Electric Standard	Dynergy	7.351 cents/kWh	May-23	Nov-23	Nov-26	36
Electric Green	Dynergy	7.751 cents/kWh	May-23	Nov-23	Nov-26	36

- The Dynergy contract was signed in May 2023
- Term was 3 years
- 90-days needed to meet deadlines of supplier and FirstEnergy enrollment requirements, such as opt-out letters, and City approvals on materials

Aggregation Term Savings Summary Nov 2023 to Nov 2026

- Bay Agg vs CEI SSO savings = \$660 (23%)
- Bay Agg vs NOPEC savings = \$226 (9%)

* Note this is based on average monthly household usage = 833 kWh
Annual kWh = 10,000

Sept and Oct 2026 savings over NOPEC were estimated using June quarterly rate
Jun – Oct 2026 savings over CEI were estimated



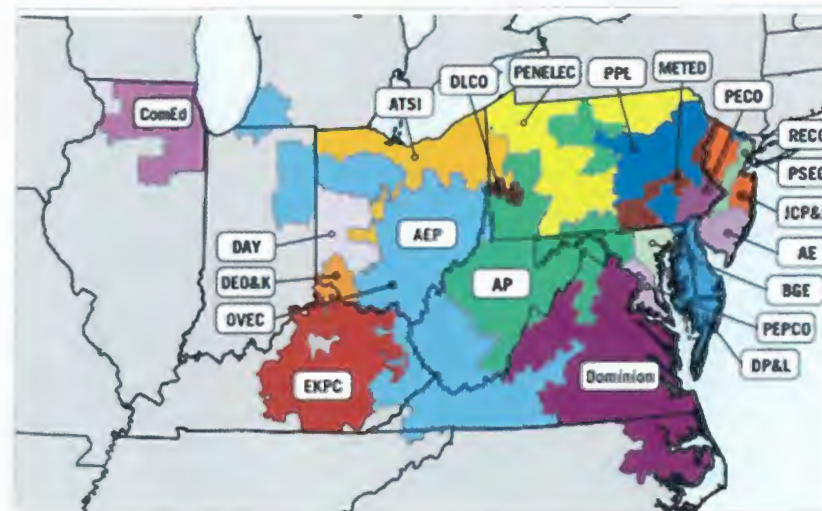
Data Centers, Crypto Currency and EV Charging

1000+ % Increase in Capacity Prices Starting 2026/2027 vs 2024/2025



Microsoft's Gainesville Data Center (planned) 2,982 MW

PJM Interconnection serves 67 million customers



PJM Interconnection coordinates movement of electricity through all or parts of DE, IL, IA, KY, MD, MI, NJ, NC, OH, PA, TN, VA, WV and the District of Columbia. PJM is called an “independent system operator” or “ISO” because it has independent authority, overseen by FERC, to operate the transmission lines owned by the utilities.

PJM has also been designated by FERC as the “regional transmission organization” or “RTO” for its territory.

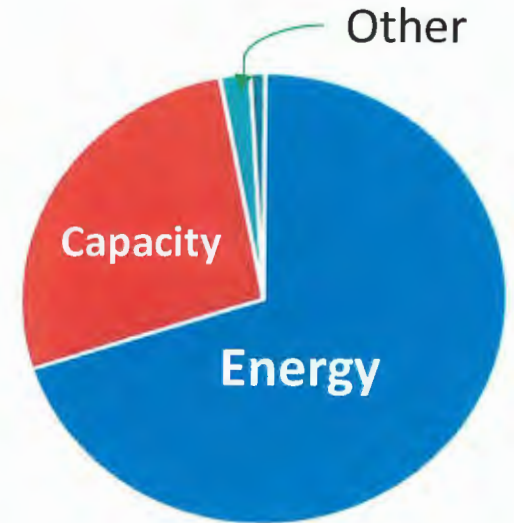
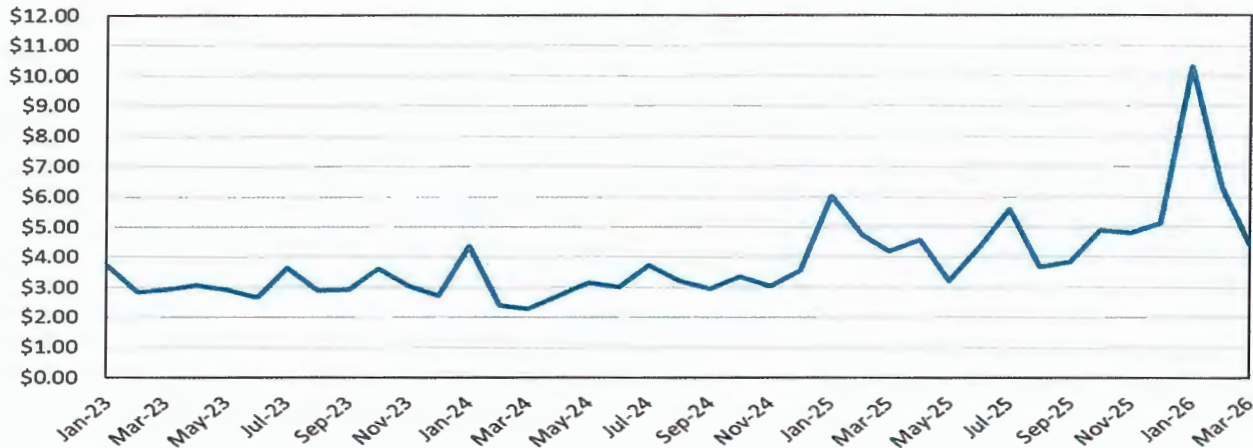
PJM auctions set the price of capacity, a large component of supply. Capacity is known as the Reliability Pricing Model (RPM), a market that ensures the electric grid's reliability by securing enough power supply to meet future energy demand.

2026/2027 Capacity prices increased over 1000% compared to 2024/2025 (higher prices continue into 2029/2030)

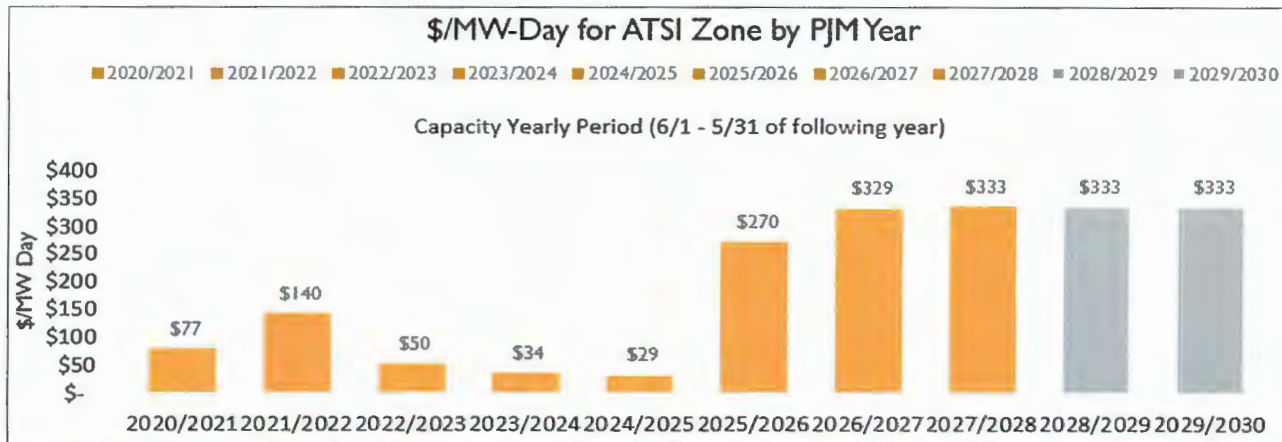
Supply Side: Power Pricing Components in Ohio

Energy + Capacity + Ancillaries = Total Supply Cost

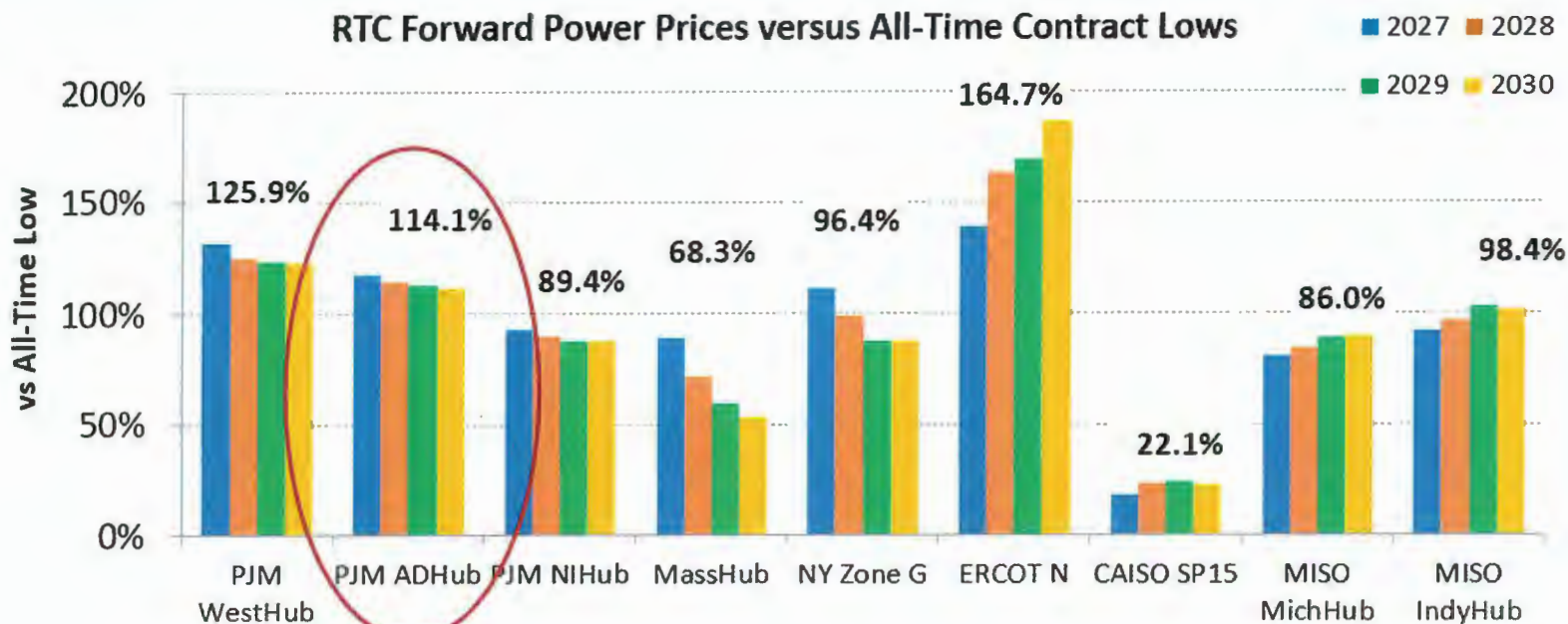
Average Day Ahead Market Pricing by Month in cents/kWh - First Energy Ohio General Region



Capacity Increases for 2025/2026 thru 2029/2030



Electricity Price Trends – PJM and other regions



Notes: 0% implies forward prices are currently trading at all-time, life-of-contract lows. All prices are indicative wholesale marks.

Market Drivers

- Less coal switching due to its unavailability
- More renewables at higher costs
- RTC – round the clock prices
- All time low was COVID



Aggregation Renewal

RFP Process:

Feb 12, 2026, SES sent out a Request for Pricing (RFP) to three suppliers:

1. Constellation
2. Direct Energy
3. Dynegy

The goal of the RFP process was to secure affordable, reliable electric supply for the City. The suppliers were rated on criteria that included price, contract language, supplier strength in finance, aggregation team and customer service as well as regulatory compliance. In addition, suppliers were required to adhere to no switching fees and no termination fees.

- March 5, 2026, SES received bid results from all 3 suppliers.
- Constellation provided pricing and enhancements only, so received a partial score.

Products requested in the RFP :

- Standard Fully-Fixed All-In Price
- 100% Renewable (Green) Fully-Fixed All-In Price
- Capacity Pass Through Price



Electric Aggregation Price Selected

Dynegy Offered Lowest Prices

Price Offers for All term lengths were within 5 mils (5/10th of a penny)

Fixed Pricing in cents/kWh:			Price shown in cents/kWh
Supplier	Product (Standard)	Start Date	36 mo.
Dynegy	Fully-Fixed All-In	11/1/2026	10.160

Opt – In 100% Renewable Pricing in cents/kWh:			Prices shown in cents/kWh
Supplier	Product (Green)	Start Date	36 mo.
Dynegy	Fully-Fixed All-In	11/1/2026	10.420

Dynegy Also Offered Greenbacks Program - \$18,000 for 3 yr. term Rebate Program for Energy Efficiency Projects



Company Overview

Energy Management on Both Sides of the Meter

CLEVELAND
2030
DISTRICT®
PARTNER

Sustainable Energy Services was founded as one of the first energy consulting firms to combine energy purchasing, energy efficiency, and sustainability services. As a nationally certified woman-owned business, SES acts as an owner's advocate in all energy and sustainability matters for customers across diverse sectors.

At SES, we are experts in executing customizable solutions to complex energy and sustainability challenges, drawing on 50+ years of energy consulting and engineering experience. The managing partners have shared their expertise as energy and sustainability advisors to many NE Ohio Municipalities, schools, commercial and industrial customers. We serve as regular speakers at the Operator Training Committee of Ohio, AEE World Energy Conference, AEE East/West Energy Conference, and other national and regional conferences. SES is a partner in Cleveland 2030 and a registered Trade Ally to all major utilities in Ohio.

- C.E.M. (Certified Energy Manager)
- C.E.A. (Certified Energy Auditor)
- C.E.P. (Certified Energy Procurement Professional)
- C.D.S.M. (Certified Demand Side Manager)
- C.C.A.S.S. (Certified Compressed Air System Specialist)



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