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ELECTRIC RATE AGREEMENT — The Mt. Vernon Airport Authority Board of Commissioners recently approved moving forward with an electric rate agreement with Constellation during their meeting.

Airport approves electric rate agreement

The agreement is for four years

BY JOSH JONES
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MT. VERNON — The Mt. Vernon Airport Authority Board of Commissioners recently approved moving forward with an electric rate agreement with Constellation during their July meeting.

Rob Wielt, senior energy consultant with Affordable Gas and Electric (AGE), discussed the airport's current situation, including the numerous accounts the airport has.

"Mt. Vernon Airport Authority has 15 Ameren accounts, there were some that were with Nordic, some with Direct Energy and a few that were just on the Ameren default rates," Wielt said. "What we did is we bundled all 15 of

those accounts so you would have everything under one contract."

Affordable Gas and Electric is the broker for the airport for the agreement.

The board received bids from five different companies with contracts going from one to four years. The companies were AEP Energy, Constellation, Energy Me, Homefield Energy and Direct Energy.

"The low bidder was Constellation, they are the largest in the country," Wielt said.

The board selected Constellation at a power price of 0.04407 kilowatt hour from August 2019 to August 2023.

"That is a recommendation, we are comfortable with whatever you are comfortable with," Wielt said. "Right now natural gas is again at historic lows, we just don't see how gas can go much lower and the electric supply market pretty much mirrors the natural gas

market.

"We never know when we are at the bottom, but we know that we can't be far from it and we don't think rates can go much lower," Wielt said.

Wielt explained AGE's role as a broker.

"We go out and pit these suppliers against each other, we don't really have a dog in the hunt, we fight for our customer, not for our supplier," Wielt said. "One other key thing that we do with these companies is we tell them that we want fully fixed rates and that every component that goes into that price is fixed for the duration of the contract. I think you might have run into a problem with that the last time around, that the prices weren't fully fixed. These are all fully fixed rates."

After some deliberation the board decided to approve the agreement in order to secure the current rates.

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