

**ROCHELLE CITY COUNCIL
AGENDA ITEM MEMO
REGULAR MEETING**

SUBJECT: Sale of Renewable Energy Credits

Staff Contact: Blake Toliver Superintendent of Electric Operations

Summary: Rochelle Municipal Utilities accumulates Renewable Energy Credits (RECs) from the solar arrays at the Wastewater Treatment Plant, the Village of Hillcrest, and the rickhouse. RECs can generate revenue by being sold to companies seeking to lower their emissions footprint. Staff has met with Allstate Insurance to formalize an agreement to sell the RECs generated from July 1, 2024 through June 30, 2027 at a rate of \$34 per solar REC. The contract with the current buyer has expired. The new contract is estimated to generate nearly 3x the revenue of our expired contract. In previous years, the revenues have been utilized to fund the income assistance program.

Funding Sources:

Source:	Budgeted Amount:	Proposed Expenditure:
N/A	N/A	N/A

Strategic Plan Goal Application: Maintain Fiscal Stability & Balanced Budget – Short Term Routine

Recommendation: Approve the Ordinance for the Sale of the Renewable Energy Credits