



In 2012, the residents of the MUNICIPALITY approved a referendum authorizing the city officials to bid and enter into agreements with electricity suppliers to provide electricity to all residential and small commercial residents. Since 2012, the program has delivered average savings of 14.4% compared to standard utility rates.

Electric supply pricing is largely driven by the futures market, where suppliers bid based on expected future conditions. The MUNICIPALITY, along with many communities in the SRG Municipal Aggregation group, bids out electric supply collectively for all residential and small commercial customers within our city limits. Supply companies bid on the business for the future, based on where they think the market for electric supply will be at that time. For summer of 2026, electric supply costs are expected to be higher, some estimates are suggesting rates in the 12-14 cents per kWh beginning in June. Current market indicators suggest a significant increase in electric supply costs.

In response to these market conditions and the upcoming expiration of our current contract through the Stone River Group, the MUNICIPALITY participated in a competitive bidding process and accepted a low bid on March 25, 2026. The low bid was accepted with Direct Energy at the fixed rate of \$0.1276 per kWh for the period beginning June 2026 through August 2027. The Ameren default rate is expected to be \$0.12 to \$0.14/kWh.

Residents who want to accept this rate while still receiving billings directly from Ameren, no action is required.

Residents should note:

- No action is required to remain in the program
- To opt out, return the opt-out card by May 10, 2026
- If you opt out, you may choose another supplier or default to the Ameren rate

This card will be provided to each resident via a mailed packet of information. Opting out of the program means you will contract for your own electric supply or accept the Ameren rate, so please review the materials carefully before making your decision.