

Electrical Aggregation Referendum

March 13, 2012



Background

Electricity bills from ComEd have two components

1. Distribution – Can only be provided by ComEd
2. Supply – Deregulated

Deregulation means consumers may seek alternative supplier



Electrical Aggregation

- Consumers may use any of the 23 state-approved suppliers
- Municipalities have authority to seek a bid for electrical supply on behalf of residents and eligible commercial accounts

Goal: Take advantage of economy of scale for more competitive rates



Aggregation Process

Step #1: Referendum on March 20
Ballot

Step #2: Plan of Governance
- Requires two public hearings

Step #3: Competitive bid process
- Open to any of the 23 suppliers
that meet requirements of Plan

Step #4: Opt-out Process



Referendum

Ballot Question

Shall the Village of Downers Grove have the authority to arrange for the supply of electricity for its residential and small commercial retail customers who have not opted out of such program?



Referendum

If approved:

- Eligible accounts will be enrolled unless they opt out
- All customers will have an opportunity to opt out

If not approved:

- Village may operate an opt-in program



Bid Process

Two Options:

- Formally join aggregation group by approving Intergovernmental Agreement
- Continue alone

In either case:

- Bid process will be fair and competitive
- Bids that do not lower rate will not be accepted



Important Facts for Residents

- ComEd will still deliver power and service will not be affected
- Electricity bill will come from ComEd
- Some accounts will be excluded:
 - Real-time pricing
 - Customers under contract with another supplier
 - Space heating (using electricity for heat)



Recent Aggregation Programs

	Rate per kw/h	Average Household Annual Supply Bill (8,500 kw/h)	Annual Household Savings vs ComEd Rate
ComEd Rate	\$0.07753	\$659.01	--
Glenwood (Opt-Out)	\$0.05990	\$509.15	\$149.86
Crest Hill (Opt-Out)	\$0.05890	\$500.65	\$158.36
Wood Dale (Opt-Out)	\$0.05920	\$503.20	\$155.81
North Aurora (Opt-Out)	\$0.05750	\$488.75	\$170.26
Oak Brook (Opt-Out)	\$0.05200	\$442.00	\$217.01



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