



Electrical Aggregation Bid Awarded

On April 17, 2012, the bid for electricity purchased for residents and small businesses in Park Ridge was **41.73% less than ComEd. This will result in an approximate annual savings of \$350 for homeowners on their electric bill!**

In 2009, Governor Quinn signed legislation amending the Illinois Power Agency Act to allow municipalities to arrange for the provision of electricity to residential and small commercial retail customers (15,000 kWh/annual usage) by alternative electric suppliers (instead of ComEd). Under this law, municipalities were able to seek bids for the provision of aggregate electricity supply services for their residents and small businesses in hopes that the selected rate will be lower than the standard rate offered by ComEd.

Aggregation addresses only one of the three components of an electricity bill. The three components are supply (where the power comes from), transmission (getting the supply from its point of origin or from the high voltage grid), and distribution (getting the electricity from the substation to the consumer's meter). **Aggregation concerns only the supply component, which is typically approximately 50% of an average electricity bill.** The transmission and distribution parts of the bill will be unaffected by aggregation and ComEd will continue to service the transmission main delivering the electricity to your home.

North Shore Electricity Aggregation Consortium

- 💡 Beginning in the fall of 2011, Deerfield, Glencoe, Highland Park, Lake Bluff, Lake Forest, Northbrook, Park Ridge and Skokie identified an opportunity to collaborate on municipal aggregation that would provide benefits to each community while saving costs.
- 💡 Through an intergovernmental agreement, the eight communities formed the North Shore Electricity Aggregation Consortium, a joint purchasing cooperative.
- 💡 Thereafter, the Consortium retained the consulting firm Intelligent Power Partners and law firm Holland and Knight to provide professional expertise.

March 20 Referendum

- 💡 A referendum was required to ask voters whether each respective municipality should 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 a program.
- 💡 On March 20, referenda were approved by a majority of voters casting ballots in each of the eight member municipalities.

Alternative Supplier Selection Process

- 💡 The Consortium sought competitive bids from ICC-approved electricity suppliers in spring of 2012.
- 💡 Seven qualified vendors were deemed to be responsive to the Consortium's Request-for-Proposals. The Consortium selected the low responsible bidder, MC Squared Energy Services as the qualified bidder.
- 💡 A three-year agreement was executed April 6 between each Consortium community and MC Squared. The agreement includes annual price adjustments to ensure customers are receiving the best possible rate.

Aggregation Implementation

- 💡 There will be no disruption in service for residents or business owners.
- 💡 Service will commence in June and July of 2012.
- 💡 This is one of the largest aggregation groups under a single form agreement in Illinois with between 60,000 to 70,000 customers.

Existing Alternative Supply Agreements

- 💡 If customers have already selected an alternative supplier, they are likely locked into a rate and into a contract with that provider. Customers may opt-in to the City/Village's competitively bid rate, but only within the structure of their existing contract with the alternative provider.
- 💡 Unlike those customers who are still receiving electricity from ComEd, customers who already selected an alternative supplier will not be automatically switched over to MC Squared.
- 💡 Customers should check with the supplier to better understand any restrictions or policies that might apply.

Opting-Out

- 💡 Residents and eligible small businesses may “opt-out” of the program.
- 💡 Over the next few weeks, all residents and small businesses will receive an opt-out notice in the mail from the City/Village and be given a date by which they must return the opt-out notice or call a number to request to be opted-out of the program within 21 days of the postmark of the letter.
- 💡 Additionally, ComEd will also contact residents to ensure that they intend to allow their accounts to be enrolled in the program.
- 💡 Residents using a third-party supplier or residents moving to the City/Village from outside the community will not be automatically included; they will have to “opt-in.”

Relationship with ComEd

- 💡 Residents and businesses will continue to receive a ComEd bill and may utilize ComEd payment options such as Budget Billing and Automatic Payment.
- 💡 ComEd is the distributor of electricity; MC Squared will supply electricity and deliver it to ComEd for distribution. ComEd is responsible for ensuring that electricity flows through its distribution network to all homes and businesses; aggregation will not change how ComEd responds to outages.
- 💡 ComEd is mandated by law to deliver electricity and to make necessary improvements to the transmission system, regardless of where the source of energy is purchased.
- 💡 This process does not impact ComEd’s commitments to various communities for agreed upon improvements to their distribution system in order to address reliability issues.

The North Shore Electricity Aggregation Consortium has a website where you can learn more information at <http://northshoreelectricityaggregation.com/>