

Vote Tuesday, March 20

Electric Aggregation

- The municipalities below are working together on a community choice aggregation of electricity initiative. In order to seek competitive prices for electrical services and potentially lower your electric bill, the following question will be on the spring ballot:

“Shall the Village of Wheeling 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?”

- If approved, the Village will compare prices and select one certified wholesale electric supplier for this region. **If you do not want to participate you may opt out and stay with your current electric supplier.**
- Want to know more? Attend a public information meeting...
 - Tuesday, February 21 at 7:30 pm**
Arlington Heights Village Hall, 33 South Arlington Heights Road
 - Wednesday, February 29 at 2:00 pm**
Buffalo Grove Village Hall, 50 Raupp Boulevard
 - Thursday, March 8 at 7:00 pm**
Vernon Hills Village Hall, 290 Evergreen Drive
- The purpose of each meeting is to provide information about the March 20, 2012 referendum whereby voters of these communities will consider allowing their municipality to arrange for the supply of electricity for its residential and small commercial retail customers who have not opted out of such program.



Arlington Heights 847-368-5000
www.vah.com

Buffalo Grove 847-459-2525
www.vbg.org

Lincolnshire 847-883-8600
www.village.lincolnshire.il.us

Long Grove 847-634-9440
www.longgrove.net

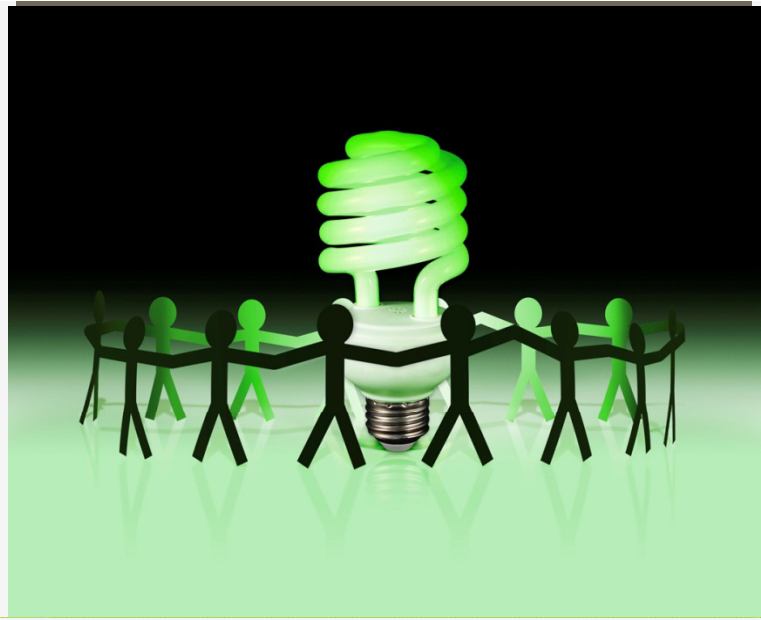
Palatine 847-358-7500
www.palatine.il.us

Vernon Hills 847-367-3700
www.vernonhills.org

Wheeling 847- 9- 00
www.wheelingil.gov

email: electricityagg@wheelingil.gov

Community Choice Aggregation of Electricity



Public Information Meetings

Tuesday, February 21 at 7:30 pm
Arlington Heights Village Hall

Wednesday, February 29 at 2:00 pm
Buffalo Grove Village Hall

Thursday, March 8 at 7:00 pm
Vernon Hills Village Hall

History & Purpose

- December 16, 1997 - State implements plan to deregulate energy industry in Illinois.
- Power can be purchased through any of 23 Illinois Commerce Commission approved suppliers.
- Many large, industrial, commercial and institutional customers switch energy accounts to third-party suppliers.
- January, 2010, Illinois Power Agency Act allowing municipalities to transfer electric account to alternate suppliers.

Municipal Partnership

- Arlington Heights
- Buffalo Grove
- Lincolnshire
- Long Grove
- Palatine
- Vernon Hills
- Wheeling

Total Population: 263,233

Questions/Answers

- How many Illinois communities are considering a referendum on electric aggregation on March 20th?
276 municipalities.
- Will residents notice a difference in service?
Meter reading, power outages, service, billing = ComEd.
- Can residents and businesses choose not to participate? YES!
- What if a resident/business has a contract with an electric supplier? Review termination provision or customers can “opt-in” at the end of their contract.

Referendum, March 20, 2012

Shall the Village of [community name] 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?

What are the benefits of aggregation?

Primary Benefits

- Lower supply costs (\$) for residents/small businesses.

What are the benefits of aggregation?

Secondary Benefits

- Residents and small businesses do not have to sign a contract.
- Some type of green energy option will be offered.
- The contract between the Village and the energy supplier will be reviewed by the Village.

What are the Benefits of a Municipal Partnership for Electricity Aggregation?

- Shared work load for staff of seven participating communities.
- Larger buying group (more accounts) should mean more competitive pricing.
- Larger informational effort should lead to more informed participation in the program.

Understanding your bill

Page 1 of 2

Account Number 000000000

Name
Service Location
Phone Number

Issue Date November 3, 2011

Bill Summary

Previous Balance	\$77.50
Total Payments - Thank You	\$77.50
Amount Due on November 24, 2011	\$76.99

www.comed.com
Customer Service / Power Outage
English
1-800-EDISON1 (1-800-334-7661)
Español
1-800-95-LUCES (1-800-955-8237)
Hearing/Speech Impaired
1-800-572-5789 (TTY)

Your Usage Profile
13-Month Usage (Total kWh)

Month	kWh
Nov-10	565
Dec-10	565
Jan-11	505
Feb-11	270
Mar-11	305
Apr-11	425
May-11	850
Jun-11	850
Jul-11	825
Aug-11	830
Sep-11	545
Oct-11	545
Nov-11	375

Electric Usage

Month Billed	kWh	Temp
Last Year	17.9	57
Last Month	16.5	70
Current Month	12.1	60

Average Daily

Month Billed	kWh	Temp
Last Year	17.9	57
Last Month	16.5	70
Current Month	12.1	60

Service from 10/03/2011 to 11/03/2011 - 31 Days **Residential - Single**

Electricity Supply Services \$29.68

Electricity Supply Charge	375 kWh	X	0.06968	26.13
Transmission Services Charge	375 kWh	X	0.00765	2.87
Purchased Electricity Adjustment				0.68

Delivery Services - ComEd \$24.89

Customer Charge				14.26
Standard Metering Charge				2.86
Distribution Facilities Charge	375 kWh	X	0.01946	7.30
IL Electricity Distribution Charge	375 kWh	X	0.00126	0.47

Taxes and Other \$2.42

Smart Meter Program				0.15
Environmental Cost Recovery Adj	375 kWh	X	-0.00003	-0.01
Energy Efficiency Programs	375 kWh	X	0.00147	0.55
Franchise Cost	\$24.27	X	2.01000%	0.49
State Tax				1.24

Total Current Charges \$56.99

(continued on next page)

Return only this portion with your check made payable to ComEd. Please write your account number on your check.

ComEd
An Exelon Company

00000 0000 00000 0000

Account Number
0000000000

Payment Amount

Please pay this amount
by 11/24/2011 **\$76.99**

Understanding your bill

- Customers are billed by ComEd for electrical supply and transmission; the potential savings will be on the supply portion of the bill.

Electricity Supply Services			\$18.55
1	Electricity Supply Charge	257 kWh X 0.06435	16.54
	Transmission Services Charge	257 kWh X 0.00602	1.55
3	Purchased Electricity Adjustment		0.46

Competitive Bid Process

- Bid rates compared to current rates.
Municipality would contract with an alternative supplier only if rates are lower than current rate.
- If favorable bid received, written notice would be sent to all residential and small commercial retail customers offering “opt-out”.
- Ten to twelve month contract at a fixed rate executed subject to Village Board approval.

Municipal Prices Obtained

- Fox River Grove, 5.99 ¢ per kWh through 9/2013
- Grayslake, 5.52 ¢ per kWh through 9/2013
- Lincolnwood, 5.52 ¢ per kWh through 9/2013
- New Lenox, 5.89 ¢ per kWh through 9/2013
- Oak Brook, 5.52 ¢ per kWh through 9/2013
- Oak Park, 5.78 ¢ per kWh 2-year fixed rate
- Sugar Grove, 5.99 ¢ per kWh through 9/2013
- Wood Dale, 5.92 ¢ per kWh 30-month fixed rate

Energy Aggregation Resources

- <http://www.icc.illinois.gov>
- <http://www.pluginillinois.org>
- <https://comed.smartsupportapp.com>
- <http://www.citizensutilityboard.org>

Questions?

Arlington Heights

www.vah.com

847-368-5800

Buffalo Grove

www.vbg.org

847-459-2525

Lincolnshire

www.village.lincolnshire.il.us

847-883-8600

Long Grove

www.longgrove.net

847-634-9440

Palatine

www.palatine.il.us

847-358-7500

Vernon Hills

www.vernonhills.org

847-367-3700

Wheeling

www.wheelingil.gov

847-279-6900

Aggregation of Electricity Initiative

The Villages of Arlington Heights, Buffalo Grove Lincolnshire, Long Grove, Palatine, Vernon Hills & Wheeling are collaborating on an aggregation of electricity initiative to serve residents and small businesses. Collectively, the communities will seek one wholesale electric supplier to obtain competitive electricity prices. By aggregating power, it is believed that each Village will be able to obtain the best supply rate for residents and small businesses.



Vote March 20, 2012

On March 20, 2012 voters of the communities referenced above will have an opportunity to vote on a referendum which, if approved, would allow the Village the ability to seek competitive pricing for the provision of electricity to residents and small businesses. According to the Illinois Community Choice Aggregation Network, there are 266 Illinois municipalities which will have this referendum question on the ballot.

The referendum question asks voters if the Village should have the authority to seek competitive pricing bids for electric services under a single contract. Specifically it asks:

Shall the Village of (community name) 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?

Questions & Answers about Electric Aggregation – How is this possible?

- On August 10, 2009, Public Act 96-0176 amended the Illinois Power Agency Act by providing for the aggregation of electrical load by municipalities and counties. This law authorizes municipalities to develop aggregation programs for the procurement of electricity supply to residential and small business customers. Local governments can now work with community members to purchase lower cost electricity, green or renewable energy, encourage local generation (solar or wind, etc.), and other community initiatives. Municipalities are able to include all residents and small businesses in a Request for Proposal to retail energy suppliers.

Will residents notice a difference in service?

- No, residents will not notice a difference in service based on this initiative. The only change will be the source of the electrical supply. ComEd would continue to deliver energy to homes and businesses. Residents and businesses would also continue to receive a ComEd bill. If residents have an outage or need service, they would continue to contact ComEd.

What if my power goes out – will I need to call the company providing the power?

- No. ComEd is responsible for ensuring that electricity flows through its distribution network to all homes and businesses in Buffalo Grove. Aggregation would not change how ComEd responds to outages.

Where does the electricity come from?

- Using forecasting and hedging methods, the selected supplier procures much of the energy supplied on the open market to find the best price for the aggregation group.

Can savings be guaranteed under an aggregation program?

- The Village can structure its request for proposals so that bidders set their rates at a specified percentage under Exelon's established rate. Market fluctuations make it impossible to guarantee that bids will come in under the current energy rate paid by ComEd customers. However, since that current rate is set every May, the market can react to it and often provide a lower rate. Currently, residents and small businesses pay a higher rate than most large commercial, industrial and institutional accounts that have sought open market bids.

What component of the electrical bill will aggregation affect?

- 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 65 to 70% of the electricity bill. The transmission and distribution parts of the bill will be unaffected by aggregation.

What if residents / small businesses don't want to participate?

- Residents and small businesses may "opt-out" of the program if the referendum is passed. Before the aggregation program begins, all residents and small businesses would receive an opt-out notice in the mail and 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. Residents using a third party supplier or residents moving to Buffalo Grove from outside the community would not be automatically included; they would have to "opt-in".

What is considered a "small business" eligible for the aggregation program?

- Small businesses are those which utilize 100 kilowatts of electricity – comparable to a fast-food restaurant. The amount of electricity a property utilizes can be obtained on an electricity bill.

Will customers be able to pursue clean, green or renewable energy?

- Renewable energy, also known as green or clean energy, is energy which comes from natural resources such as sunlight and geothermal heat. The Village will include in its bid documents options for renewable energy. If residents wish to pursue this energy source, they may specifically request this option.

How does electrical aggregation benefit a resident and small business?

- Electric aggregation combines the retail electric loads of customers in a community. By combining the loads of its residents, the community can leverage the buying power of thousands of residents and small businesses. This combined buying power typically provides lower, more stable rates and improved service from suppliers.

I have received mailings from retail electric suppliers offering lower electricity rates now. What should I do?

- The earliest the community aggregation program is likely to begin is summer 2012. Consumers who decide to switch to a retail electric supplier before the community program is available should consider several aspects of the retail supplier's offer. Consider the following:
 - 1) Length of contract. Many retail suppliers require a minimum 1-year contract, which would prevent a customer from getting the community's aggregation rate until the contract ends.
 - 2) Termination fees. Look at the cost of early termination. Some companies charge fees and others do not.

What if customers already have a contract with an electric supplier?

- Residents and small businesses may "opt-in" to the Village's program when their contract expires.

How will be the term of the Village's contract?

- The Village could enter into a 12-month contract at a fixed rate through May, 2013.

So, what options do residents and small businesses have?

- Subject to approval of the referendum, when the Village selects a supplier, the supplier will contact each resident and small business property regarding the program. Customers thereafter will have the following options:
 1. Opt-out – means the customer is not interested in the program.
 2. Renewable Energy – means the customer wishes to pursue clean or renewable energy; there may be an additional cost for this option.
 3. No action – all customers would automatically be enrolled into the electric supply program if no action is taken.

If voters approve the referendum, how long will it be before the program is implemented?

- State law requires certain steps be followed to approve and implement the Community Choice Aggregation Program. If voters give the Village the authority to pursue aggregation, two public hearings must be held to gather citizen input for an aggregation plan that outlines goals such as savings targets and the mix of energy generation sources. Once the plan is created and adopted, Village staff would seek competitive bids from energy suppliers via a formal Request For Proposals (RFP) process. If a bid is received that meets the goals of the plan, a contract would be negotiated and presented to the Village Board for approval. It is anticipated that the Village would have a program in the summer, 2012.

How can I learn more?

Residents and businesses can attend an information meeting to learn more about this initiative and the March 20th referendum:

Tuesday, February 21	7:30 pm	Arlington Heights Village Hall, 33 S. Arlington Heights Rd
Wednesday, February 29	2:00 pm	Buffalo Grove Village Hall, 50 Raupp Boulevard
Thursday, March 8	7:00 pm	Vernon Hills Village Hall, 290 Evergreen Drive

Individuals can also contact their municipality at the number below or email electricityagg@vbg.org:

Arlington Heights	847-368-5800	Palatine	847-359-9050
Buffalo Grove	847-459-2525	Vernon Hills	847-918-3540
Lincolnshire	847-883-8600	Wheeling	847-279-6900
Long Grove	847-634-9440		