



PRESS RELEASE

North Shore Electricity Aggregation Consortium

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Village of Skokie Contact:

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Alternative Residential Electricity Supply Services Referendum Question on March 20, 2012, Ballot

Skokie, Illinois – On August 10, 2009, Governor Quinn signed into law Public Act 96-176, amending the Illinois Power Agency Act to allow municipalities to arrange for the provision of electricity to residential and small commercial retail customers by alternative electric suppliers (instead of ComEd). Under the new law, a municipality may seek bids for the provision of aggregate electricity supply services to residential and small commercial customers, in hopes that the selected rate will be lower than the standard rate offered by ComEd. The legislation contemplates an “opt-out” program in which all residential and small commercial retail customers would be switched automatically to the alternative supplier selected by the Village, unless a customer affirmatively opts out of the program and continues service through ComEd or another provider. However, in order to seek competitive prices for an opt-out electricity aggregation program, the Village must first obtain approval from residents through a referendum.

On November 3, the Village Board approved a resolution to authorize placement of a referendum regarding an opt-out electricity aggregation program on the March 20, 2012, primary election ballot. Voters will be asked if the Village should be given the authority to seek competitive pricing bids for electricity services and to enter into a single contract that would include residents and small businesses if lower electric bills can be realized.

The Village is a member of the North Shore Electricity Aggregation Consortium, a group of eight north suburban municipalities working together to identify potential electricity cost savings. The other members of the Consortium are Deerfield, Glencoe, Highland Park, Lake Bluff, Lake Forest, Northbrook and Park Ridge. Collectively, the Consortium’s members will collaborate for the duration of the bidding process and seek prices for the aggregated electricity load of the municipalities that approve the referendum. If the referendum is approved in Skokie, the Village will proceed with the bid solicitation process, even if the referendum is not approved by the voters of any of the other Consortium members.

If the referendum is approved in March, bids will be solicited for the Consortium's aggregated electricity load. The Consortium intends to seek proposed pricing for one-, two- and three-year terms. The bids will be compared to ComEd's current rates, and the Village only intends to approve a bid that will result in lower electricity prices than the current ComEd rates. Approval of the referendum does not obligate the Village to implement an opt-out electricity aggregation program. If a program is implemented, all residential and small commercial retail customer accounts will automatically be moved to the new supplier; however, information will be provided in advance of the change to residents and commercial retail customers who may choose to opt-out of having their account transferred to another supplier and prefer to remain with ComEd.

Please note that, under an opt-out electricity aggregation program, ComEd will remain the distributor of electricity in the Village; the selected alternative supplier will merely generate the electricity provided and deliver it to ComEd for distribution. Additionally, customers will continue to receive electricity bills from ComEd. Likewise, ComEd will remain responsible for all distribution system issues, including power outages.

For more information, please contact Max Slankard, Public Works Director, at 847/933-8427 or max.slankard@skokie.org.

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