### What is Electricity Aggregation?

City of Chicago

Electricity Aggregation Information Series



# City of Chicago Electricity Aggregation Information Series

This is one of a series of presentations developed to provide Chicago residents with accurate information concerning Electricity Aggregation.

More information regarding the status of the Chicago Electricity Aggregation can be found at:

www.cityofchicago.org/electricityaggregation

### How do you buy electricity?

#### Do Nothing (88%)

Illinois Power Agency secures your electricity

ComEd receives electricity from the grid

ComEd delivers electricity to your meter

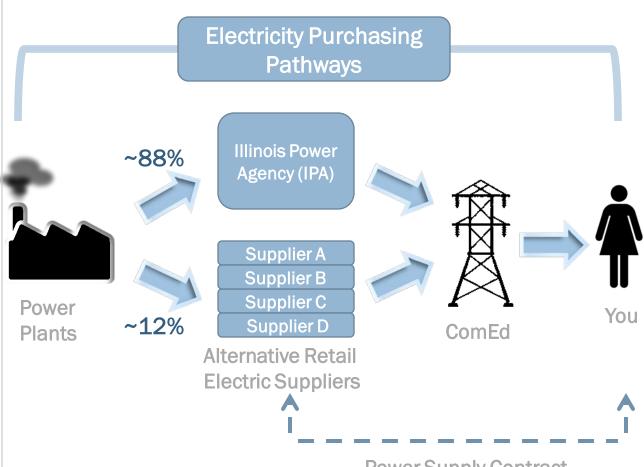
#### Shop Around (12%)

Alternative Retail Electricity
Suppliers (ARES) secure
electricity

You negotiate a price for with an ARES

ComEd receives electricity from the grid

ComEd delivers electricity to your meter



### Shopping for Electricity

- Why do consumers shop for their electricity
  - Lower prices
  - Support renewable resources
  - Access energy efficiency services
- Why don't more consumers shop for their electricity?
  - Many don't know that they can
  - It can seem to be confusing
  - Don't want to lose reliability

### What is Electricity Aggregation?

#### Purchasing authority for local governments

• The option for the City to negotiate lower electricity prices on their behalf of residential and small commercial consumers

#### Used in other large states

- California, Massachusetts, New Jersey, Ohio, and Rhode Island
- Successful in over 200 Illinois communities
  - Evanston, Rockford, Aurora, Dekalb...
- A simple way to lower electricity prices
  - The City negotiates a contract and a price with a supplier
  - If you don't like it, you Opt-Out at no cost or penalty

#### Remember how we can buy electricity

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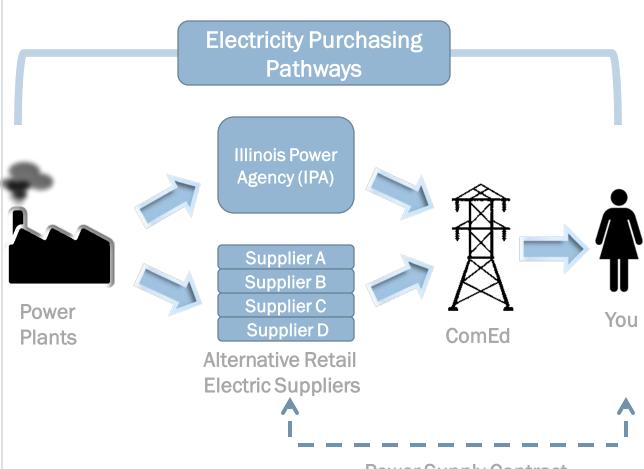
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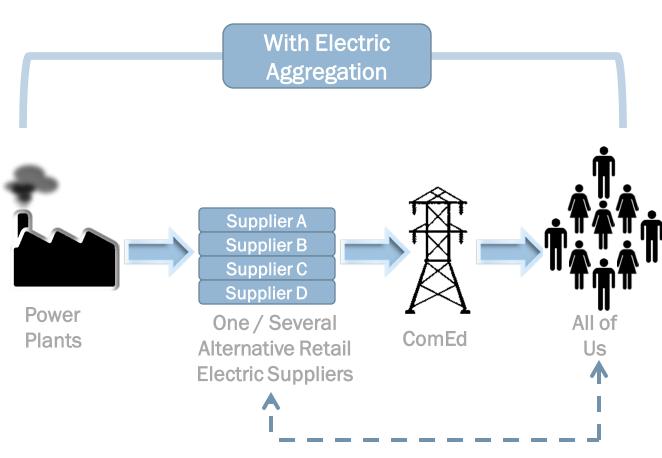
### Aggregation is like buying from and ARES

#### **Aggregation**

ARES secure electricity from power plants

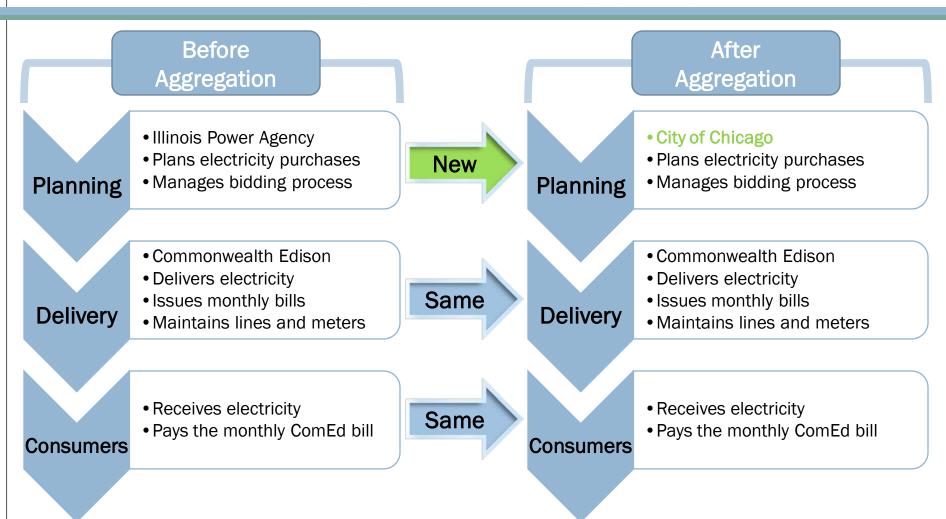
City negotiates a rate for all residential and small commercial ratepayers

ComEd delivers your electricity and handles the billing

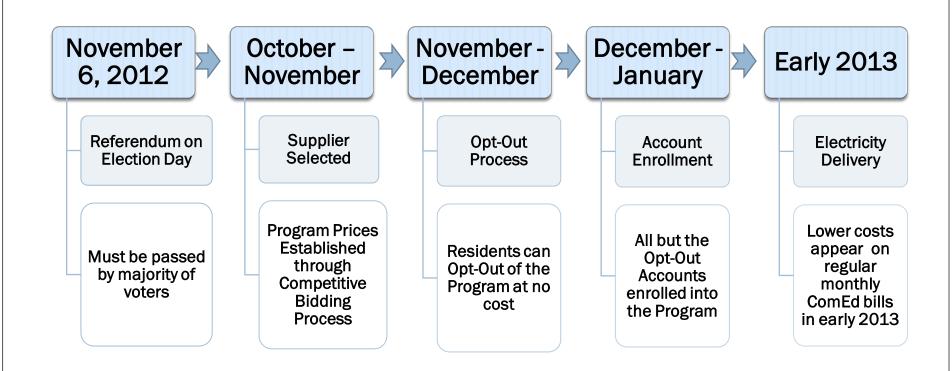


City's Aggregation Contract

### What Changes with Aggregation?



### Timeline for Electricity Aggregation



#### Establishes Roles

- The City
- The Supplier
- Consultant

#### Establishes Policies

- Supply types
- Consumer Protections
- Management and Processes

#### Status

Draft is available for public comment

#### The City's Role

• Coordinate planning, vendor selection, executing a final agreement and monitoring supplier performance

#### The Suppliers' Role

 Deliver electricity supplies and meet customer service standards

#### • The Consultant's Role

Advise City on pricing, selection and program design

#### Supply Types

- The City seeks a cleaner power supply than what is currently provided by ComEd
- The City will purchase at least the levels of renewable energy resources that ComEd provides

#### Consumer Protections

Consumers will not pay more than the ComEd rate

#### Management Processes

- Consumers will be automatically enrolled unless they opt-out of the Program
- There will be no fee to join or leave the Program

#### Confidentiality

All consumer information is protected

#### Communications

• The supplier will be have a call-center and website

#### Percentage of Income Payment Program

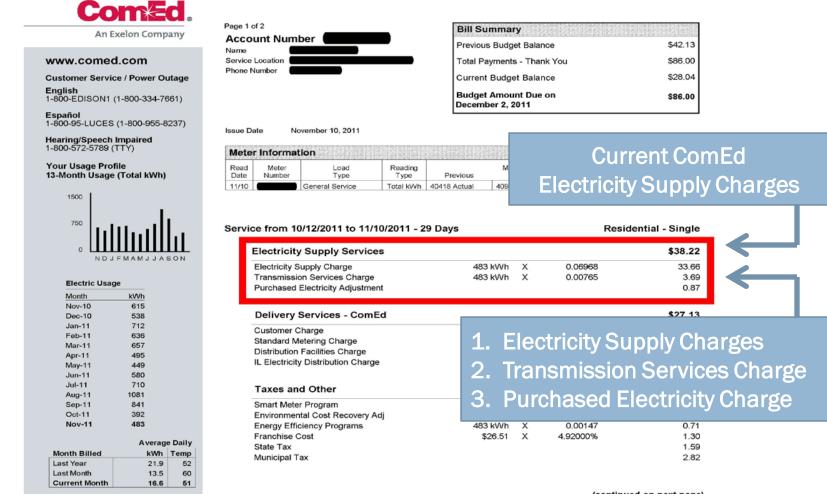
PIPP participants will not lose their eligibility

#### Billing

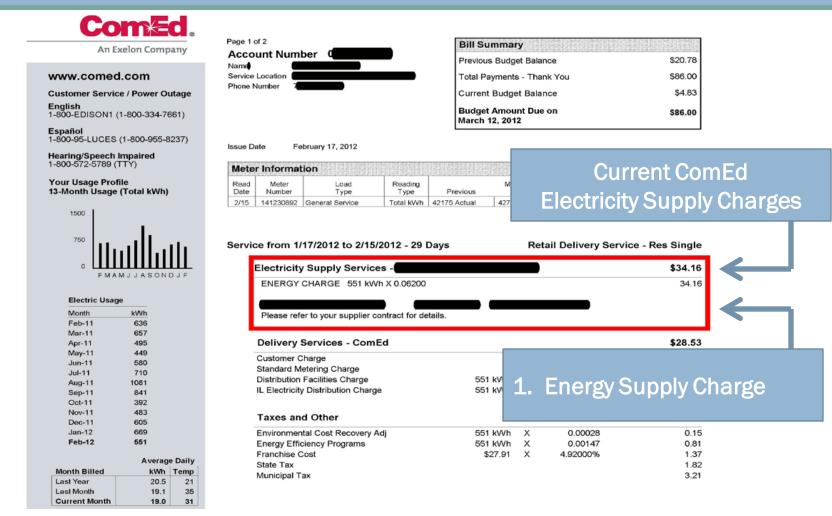
- Consumers will continue to receive one monthly ComEd bill
- Consumers will continue to have budget billing and automatic payment options

- Draft Plan is available for public comment
- Public meetings are being held to provide consumers a chance to learn about the aggregation option before the referendum
- If the referendum passes, formal public hearings on the Plan will be held by the City Council

#### What changes on the ComEd Bill?



### What changes on the ComEd Bill?



## For more information on Chicago's Electricity Aggregation

www.cityofchicago.org/electricityaggregation

Remember to vote on November 6, 2012