

Permission to shop for energy on local ballots

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State law changed almost 10 years ago, deregulating the power industry and allowing electricity suppliers to bid competitively for residential business. The changes gave residents the chance to pit power giant Exelon Corp. against other energy generators.

By the end of 2010, however, only about 1,000 of ComEd's more than 3 million residential customers had opted to go with an alternative supplier, according to the Illinois Commerce Commission.

While individual homeowners have been slow to take advantage of the deregulation, hospitals, school districts and large corporations were quick to exercise their ability to shop around. In addition, companies such as the Northern Illinois Municipal Electric Cooperative, which act as energy brokers for municipalities, have popped up.

The Northern Illinois Municipal Electric Cooperative is a large cooperative that aggregates members' energy loads and shops for the best rates. After a bidding process, NIMEC presents each of its clients with rate options and a comparison with Exelon/ComEd rates. Individual contracts later are created between NIMEC and each client, said David Hoover, executive director of the company.

The Northern Illinois Municipal Electric Cooperative serves about 100 municipalities, including Algonquin, Cary, Carpentersville, Crystal Lake, Island Lake and West Dundee. Residents in Harvard and Fox River Grove will have the opportunity this spring to vote on a

FAQ about Northern Illinois Municipal Electric Cooperative with David Hoover

Q: Can villages, like individuals, shop for energy suppliers on their own?

A: Yes. Companies like NIMEC, however, offer advice on aggregating, help villages with plans of governance, and other issues. Brokers offer expertise and also aggregate a municipality's load with others when going to bid, taking advantage of combined purchasing power.

Q: When is the opt-out period if a town wants to be a part of NIMEC but an individual doesn't?

A: The details about when/if a resident can sign up or opt out are determined in a Plan of Governance and are yet to be worked out for Harvard and Fox River Grove.

Find out more

The Illinois Commerce Commission believes that most Illinois residents are unaware of the option they have to shop around for the best energy rates and buy power from a company that is not Exelon.

This is not surprising, an ICC spokeswoman said, as it wasn't until late last year that alternative power suppliers, including Constellation NewEnergy, BlueStar Energy Solutions, and Spark Energy, began marketing in northern Illinois.

For information, visit the ICC's consumer education website at pluginillinois.org.

referendum that would allow their villages to use NIMEC, too.

On the April 5 ballot,

government officials in Fox River Grove and Harvard will ask voters permission to arrange for NIMEC to roll all residents and small businesses into an energy aggregate and then shop for energy on their behalf. Residents who do not wish to be part of the aggregate would have the opportunity to opt out, Hoover and villages officials have said.

Voting "yes" allows each village the option to use the Northern Illinois Municipal Electric Cooperative to shop for energy suppliers. If, through a NIMEC contract, either village chooses to use an alternative energy supplier, residents would continue to be billed for electricity through ComEd and use ComEd-owned grids. The actual energy flowing into each home, however, could come from a different source.

NIMEC's fees are embedded in the rate that alternative suppliers offer, Hoover said.

Most of the power that supplies homes in McHenry County is generated at nuclear power plants owned by Exelon Corp. That energy flows through ComEd-owned grids, and customers are billed through ComEd. Exelon is a parent company of ComEd.

The village of Cary has been pleased with its service, according to a news release sent out last week.

"This year, the NIMEC electric bidding process resulted in rates that are 14 percent lower than last year's totals," the release said. In addition, the reduction in rates is expected to save Cary about \$40,000 in water and sewer bills this fiscal year – as water and sewer operations use a considerable amount of energy, the news release said.