

Village Seeking Lower Electric Rates for Antioch Residents

The Illinois state legislature recently gave Villages a tool to help lower electric bills for their residents. Villages now have the ability to seek competitive pricing for the provision of electricity to residents and small commercial businesses. It is hoped that by combining electrical service for all individual customers into a single contract, consumers will see a cost savings in the form of lower electricity costs. This concept is similar to how the Village currently seeks contracts for refuse and recycling services. In order for the Village to seek community-wide electrical services, the Village Board needs approval from the residents. This approval is granted through a referendum that would give the Village the authority to contract for electric service.

The Village Board recently approved placing a referendum on the March 20, 2012 ballot asking residents if the Village should have the authority to seek competitive pricing for electrical services under a single contract.

The referendum reads:

“Shall the Village of Antioch have the authority to arrange for the supply of electricity for its residents and small commercial retail customers who have not opted out of such program?”

Yes _____ No _____

It is important to note that if the voters approve the referendum, the residents will still have the choice to “opt-out” of any program the Village establishes. If you are happy with your current service and do not want to change, you will not have to.

Why is the Village asking residents for this authority?

The Village is taking on this process in an attempt to save residents and small businesses money by taking advantage of the new state law. If the process results in lower electricity costs, residents and businesses would benefit.

Why is there a referendum?

The Board needs approval from the residents through the referendum process to enter into the necessary agreements. This only asks voters if the Village should have the authority to participate in contracting for electric service. In December 2011, the Village Board passed a resolution to place a referendum on the March 20, 2012 ballot addressing this topic.

What if the referendum fails?

If the voters say “no”, customers would continue to be serviced as they are today and will not have the opportunity to potentially see lower rates.

What happens if the referendum passes?

If the voters say “yes” the Village would need to hold two public meetings, develop a plan and contract with an electric supplier. If the resulting prices are lower than ComEd, the Board can authorize necessary agreements. With lower electricity prices, bills for residents and small businesses would be reduced.

If the referendum passes, is the Village obligated to switch suppliers?

No. The referendum merely authorizes the Village to contract with suppliers. If pricing is not lower, no change would be made.

Opt-Out Option

Note that with the passing of the referendum, the Village is not obligated to switch suppliers. In addition, residents would still have the choice to “opt-out” of any program established by the Village. In other words, an approval vote does not require that an individual resident or business participate in the Village’s program. If you are happy with your current service and do not want to change regardless of price, you will not have to.

What if the prices are higher than ComEd’s prices?

The Village Board would not enter into an agreement and no changes would be made.

What rate savings can be expected?

It is hoped that the bulk pricing will result in savings. This is similar to the lower prices residents receive under the community-wide garbage/recycling contract. Other area communities who have had successful referendums have seen a savings in excess of 20%,

Will the Village provide the public with comparison information on the new proposed rates versus the current ComEd rates?

Yes. After finalizing agreements, the village will provide the public with this information.

Will this impact my service from ComEd?

No. ComEd will still be the transmitter company for northern Illinois and will therefore still bill you and conduct any repairs that need to be made. Aggregation will simply change the supplier and result in lower electrical costs.

If power is purchased from another supplier, who would residents call for outages?

By law, ComEd would continue to handle all service issues including emergency repairs.

Would I get a separate bill from the new supplier?

You will still be a customer of ComEd’s delivery system while you purchase power from another supplier. The Village has the option of continuing to use ComEd for all monthly billings through a single bill covering ComEd and the new electricity supplier.

Can the public have input on the program?

Yes, the Village will hold public hearings giving residents the opportunity to provide input on the plan.

I have already signed a contract with another supplier, what are my options?

Please be aware that if you signed a contract with another supplier before aggregation and would like to switch, you can only do so when your contract ends with your current supplier. If you choose to break the contract in order to take advantage of the rates available under aggregation, please be aware that there may be penalties.

More information will be posted to our website at www.antioch.il.gov as the process continues.