

FOR IMMEDIATE RELEASE

Charles de Casteja
(212) 691-9467
(646) 286-6746
charles@goodenergy.com

Low bids mean electric savings top \$70 million

Central and Southern Illinois – More than \$70 million over two years: That’s the amount of combined savings electric consumers statewide participating in municipal electric aggregation will reap over a two-year span.

Good Energy selected Collinsville-based **Homefield Energy** as the low bidder after a competitive bid with five of the country’s leading alternative retail electric suppliers Tuesday. Homefield Energy will deliver electricity at a contract rate of \$0.0408 per kilowatt hour (kWh) – 4.08 cents – during the span of the two-year contract. The high bid was \$0.0493 – 4.93 cents.

Compared with the current Ameren rate of \$0.0620 kWh, the low bid means the average household conservatively will save \$200 per year with many saving more.

“For years commercial customers have reaped the benefits of deregulation and shopping in the open market. Now, finally, the residential customers of Ameren see the benefit of purchasing in the open market together,” said Charles de Casteja, managing partner of Good Energy. “Responsible communities across the state banded together in a buying group to buy in bulk. Municipalities truly realize the ‘power’ in numbers and today those municipalities have the wind at their back.”

The 50 municipalities and counties of the Good Energy Central and Southern Illinois Municipal Electric Opt-Out Buying Group represent the largest aggregation program of its kind in Illinois. The bigger buying group means better buying power. About 220,000 households and small commercial retail electric accounts in the Ameren service territory are in the current buying group.

Good Energy originally had projected savings of between 18 to 25 percent compared to current rates. The actual savings based on Wednesday’s bids will be 25 to 34 percent – depending on usage.

What’s more, 40 of the 50 communities in the purchasing group chose to purchase 100 percent renewable electric production – all green. “This is the largest residential renewable purchase in the history of the U.S.,” De Casteja said.

The promised savings are the result of a months-long process. Communities statewide first chose a consultant and approved a referendum to be placed on the ballot, followed by residents approving a referendum. The consultant and municipality then developed an aggregation plan of operation and governance, hosted public hearings for

transparency, followed by the bidding process with suppliers. There still are opportunities for municipalities who did not join the first group to join Good Energy's second round buying group for a November 2012 referendum, expected again to be Ameren's largest purchasing group.

What now?

- ✓ Residents will have the opportunity to opt-out of the program and deny projected savings by responding to a direct mailing they will receive in the mail later this month (May) from Homefield. This letter will provide details for the program.
- ✓ Residents will receive a notice from Ameren in June confirming the switch to a new supplier (Homefield Energy). This offers another opportunity to opt-out or rescind. Note that this letter will not make any mention of municipal aggregation, but only that a switch has been made to Homefield. Account holders will have five (5) days to rescind, returning them to supply service from the utility.
- ✓ If individuals decide to opt out after becoming part of the aggregate, they still can with a small termination fee.
- ✓ Residents who do nothing automatically are enrolled and will most likely begin to see savings in July for June service.
- ✓ Residents who opt out will return to the rates offered by the utility. There are no additional charges.
- ✓ All residents and small commercial accounts will continue to receive one bill.

History of deregulation

With the passage of the Illinois Power Agency Act in Illinois in 2007, municipal electric aggregation became available. This allowed local authorities to negotiate electric power supply for smaller consumers.

In 2009, the governor signed a public act that allows communities the authority to bargain on behalf of their residents for cheaper electricity. The purpose of deregulating electricity markets was to increase competition, lower costs and give residents the power to choose. Governments and large business in Illinois already do this.

Background

Good Energy is a national energy management consultant firm that prepares, negotiates and purchases utility supply contracts for consumers and businesses in deregulated markets. It works in 22 deregulated states including Illinois and recently opened offices in Peoria.

For a complete list of Good Energy OPT-OUT Buying Group Municipalities, please visit: www.munienergychoice.com.

GoodEnergy Illinois OPT-OUT Hotline

Central: 309-245-4566 Southern: 618-465-6030 Northern: 847-245-4003

www.goodenergy.com

#####