

Memo

To: Trustee Selman
From: Robert Kosin
CC: Village President, Board of Trustees
Date: December 16, 2011
Re: Aggregation Referendum

The Village web site has a page providing an initial Q&A on the subject of Aggregation including the Referendum question.

Barrington and other municipalities have adopted the ordinance to have the referendum question placed before the voters at the General Primary Election of March 20, 2012.

The Village of Barrington Hills has not chosen to engage a consultant to promote the referendum.

www.barringtonhills-il.gov/aggregation

VILLAGE OF BARRINGTON HILLS

MUNICIPAL AGGREGATION REFERENDUM QUESTION

Recently, the Illinois General Assembly authorized municipal governments to bid for electrical service on behalf of its residents and small businesses.

The Village of Barrington Hills will be placing a Referendum for that authorization on the ballot of March 20, 2012. If the majority of voters concur, then the Village can seek lower electric rates for its residents.

Q: How can the Village purchase power at a potentially lower cost?

Deregulation allows the Village to shop for power and purchase in bulk for its residents at a lower price. By voting YES on the referendum, ComEd will then have to compete with power suppliers from throughout the Midwest to provide power.

Q: Who will take care of my power if there is an outage?

ComEd, by law, will still be paid to distribute the power to the homes and businesses in the Village and handle any emergency repairs.

Q: What if I don't want to participate in the program?

Residents will have multiple opportunities to "Opt Out" of the program, which will be your right by law.

Q: What happens if the Village cannot purchase or negotiate lower rates than ComEd?

Your account would stay at ComEd and

ComEd would continue to be both the power provider and the local distribution company. Either way, ComEd will be the distributor.

Q: Why is this opportunity available?

This is the last phase of the Deregulation Process. Until this state law was amended, only larger customers such as industrial, commercial and governmental entities could participate. Three quarters of these customers are currently purchasing their power from sources other than ComEd.

Q: Why is the Village of Barrington Hills doing this?

We, as a municipal government, are trying to use the new law to benefit our residents and small businesses by saving them money. The Village does not profit from this law.

Sample of Referendum to appear on the ballot of March 20, 2012.

Shall the Village of Barrington Hills have the authority to arrange for the supply of electricity for its residential and small commercial retail customers who have not opted out of such a program?	Yes
	No



Sarah Kenney <skenney@barringtonhills-il.gov>

VBH BOT ePacket Finance FYI

1 message

Robert Kosin <rkosin@barringtonhills-il.gov>

Wed, Dec 14, 2011 at 7:16 AM

To: Dolores Trandel <clerk@barringtonhills-il.gov>

Cc: Sarah Kenney <skenney@barringtonhills-il.gov>

Electrical Aggregation to be on March Ballot in Barrington

Residents to decide on alternate energy supplier.

By Claudia Lenart PATCH

December 13, 2011

In an effort to cut residents' energy costs, the village of Barrington will put an electrical aggregation question on the March 2012 ballot.

The referendum will ask residents to allow the village to negotiate for electricity supply for its residents and commercial customers. The village would also allow electricity customers to opt out of the program.

Village President Karen Darch said, at Monday's meeting, the deadline for putting referendums on the ballot is Jan. 3 and the board will not meet again before then.

Gov. Quinn signed legislation in August of 2009 allowing village boards to transfer their residents' electric accounts to alternative suppliers. Many villages in the Chicago metropolitan area are pursuing electrical aggregation.

ComEd will remain the distributor of electrical power regardless of the power supplier the village chooses. Customers will still receive their power bills from ComEd.

The Barrington Patch

###



Clerk VBH <clerk@barringtonhills-il.gov>

VBH BOT ePacket Finance FYI

Robert Kosin <rkosin@barringtonhills-il.gov>
To: Dolores Trandel <clerk@barringtonhills-il.gov>
Cc: Sarah Kenney <skenney@barringtonhills-il.gov>

Tue, Dec 13, 2011 at 7:42 AM

Barrington area divided on electricity referendum
By Eric Peterson Daily Herald
12/12/2011

As many other Northwest suburbs already have, the seven villages of the Barrington area are in the process of deciding whether to put on their March 20 ballots a referendum question authorizing them to negotiate with electricity suppliers others than ComEd.

Barrington trustees Tuesday (12/6/11) voted to put the referendum on their residents' primary ballots, just as trustees in Barrington Hills and South Barrington recently have.

Officials in Deer Park, North Barrington and Tower Lakes are set to consider the issue later this month, but Lake Barrington trustees have already chosen not to adopt a referendum question.

Lake Barrington Village Attorney James Bateman said the reason for trustees' decision was that the gated senior community of Lake Barrington Shores — which makes up a significant portion of the village's population — already has a specific cost-saving deal with ComEd that could not be improved by opting out of it.

Though North Barrington and Tower Lakes have yet to discuss the referendum, both North Barrington Village Administrator Kathy Nelander and Tower Lakes Village President Kathleen Leitner said there hasn't been much interest or enthusiasm about it expressed in their communities so far.

Barrington Village President Karen Darch and Village Manager Jeff Lawler said Monday that there really is no drawback for any community to put the question on the ballot. Though voter approval would grant the municipality authority to seek a supplier other than ComEd, it still would not force such action if no other company could be found to offer better rates.

While this should be as true for smaller communities as larger ones, Lawler suggested that some smaller towns might have concerns about their staffing levels being up to the task of researching other suppliers and reporting the results back to residents.

For all the potential cost savings to residents, Lawler acknowledged that there would be some work involved on the part of village staff if voters approved the ballot question.

###



Sarah Kenney <skenney@barringtonhills-il.gov>

VBH BOT ePacket Finance FYI

1 message

Robert Kosin <rkosin@barringtonhills-il.gov>

Sun, Dec 11, 2011 at 9:01 AM

To: Dolores Trandel <clerk@barringtonhills-il.gov>

Cc: Sarah Kenney <skenney@barringtonhills-il.gov>

Algonquin to vote on seeking electric bids
By Elena Ferrarin Daily Herald
12/9/2011

The question these days seems to be, which municipalities aren't looking to negotiate lower rates for electricity.

Like most of their neighbors, Algonquin voters will decide if they want the village to negotiate lower electricity rates. The village board unanimously approved this week placing an electricity aggregation referendum question on the March election ballot, village management assistant Mike Kumbera said.

If the referendum question is approved by voters, the village will negotiate a bulk purchase of electricity that, if successful, could result in savings of up to 20 percent for residential and small commercial property owners, Kumbera said.

The village would switch electricity providers only if the bids are favorable. The electricity could be supplied by a different company, but ComEd would continue to handle billing and repairs.

Residents and small business owners would be able to opt out of the program if they so wish, Kumbera said.

McHenry, Crystal Lake, Carpentersville, East Dundee, West Dundee, Cary, Lake in the Hills, Huntley and Pingree Grove also are planning such referendums for March 20 ballot. Elgin also is considering doing so.

The McHenry County Board is scheduled to vote on the issue for its unincorporated areas on Dec. 20.

Residents of Fox River Grove and Harvard have already switched to new power suppliers after voter approved referendum questions in April, said Anna Bicanic Moeller, executive director of the McHenry County Council of Governments.

The agency is working with the county and 14 of its municipalities to solicit proposals from consultants who will assist in the informational campaign ahead of the election, Bicanic Moeller said. If voters approve the change, the consultant also will assist in soliciting bids for lower electricity rates.

"It's about using economies of scale; trying to lower residents' costs and keeping that money local instead of sending it off to ComEd," she

said.

So far, the Council of Governments has received proposals from five consultants, including a couple of electricity suppliers that, if selected, wouldn't be able to bid to become suppliers, she said.

McHenry County and the Council of Governments will select one of the consultants, but it will be up to each municipality to make the final choice, she said.
