

# Municipal Opt-Out Aggregation Frequently Asked Questions (FAQ)

## **What is Municipal Opt-Out Aggregation?**

Municipal Opt-Out Aggregation is a program that allows municipalities such as villages, cities, and counties, the option to create a large buying group of residential and small commercial retail electricity accounts and seek bids for cheaper rates. Right now, these Ameren customers obtain power at a fixed rate, regulated and set annually by the Illinois Commerce Commission. By grouping together residential and small commercial accounts, municipalities can achieve the savings that normally are not afforded to the individual customer.

## **What Are the Benefits of Municipal Opt-Out Aggregation?**

The key benefit to Municipal Opt-Out Aggregation is the opportunity for the residents and small businesses to save money on their electric bills. Individual accounts can potentially save between 5 and 10% off their entire bill, or 20% off their supply portion of their bill. Collectively, the residents and small businesses could save money that can be put back into the community.

## **How Does Municipal Opt-Out Aggregation Work?**

First, the municipality must place a referendum on the March 20 primary election asking voters to give the municipal government authority to create an aggregation program. Once the referendum is approved, the municipality will create an aggregation plan that includes the objectives, procedures and process for the program. The municipality, through its expert consultants, will then seek bids from Alternative Retail Energy Suppliers to obtain competitive electricity rates for participants. A resident or small business can choose to opt out of the municipality's program, so there is minimal risk that your electric rate will increase and no obligation to participate.

## **How does Municipal Opt-Out Aggregation impact my current situation and electricity bill?**

The impact of Municipal Opt-Out Aggregation is primarily savings. Participants will see NO change in their Ameren bill other than a reduction on the energy charge. They will continue to receive a single bill, make one payment, and continue to receive all other services through Ameren. However, if customers are already purchasing their power from a company other than Ameren, they will be ineligible to take advantage of the Municipal Opt-Out Aggregation rate. A resident or small business can join the Municipal Opt-Out Aggregation program at any time, but early termination of a contract with another energy supplier could result in fees. Check the terms and condition your existing contract with the alternative retail energy supplier (ARES).

## **When will Municipal Opt-Out Aggregation go into effect?**

Before the municipality begins implementing the program, voters must approve a referendum on March 20, 2012 to allow municipal electricity aggregation. If the referendum passes, the program will likely begin July or August 2012.

## **Do I have to participate in the Municipal Opt-Out Aggregation program if I do not want to?**

No. Residents and small businesses are free to opt out. Opt out notices will be provided through the mail before the program begins.

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## When will I start seeing a reduction in my electricity bill?

The earliest participants would receive bills with the new rates is July or August 2012.

## What part of my electrical bill will aggregation affect?

Municipal Opt-Out Aggregation changes only one of the three components of an electricity bill. Only the supply component, which is typically 60 to 75% of the electricity bill will be reduced. The other components transmission and distribution will not be affected.

## Who will I call if there is an outage or issues with my electric bill?

All service and billing questions will continue to be directed to Ameren. (800) 755-5000

## I have received mailings from retail electric suppliers offering lower electricity rates now. What should I do?

The earliest the Opt-out aggregation program is likely to begin will be July 2012. Consumers who decide to switch to an alternative retail electric supplier before the program is available should consider several aspects of the retail supplier's offer.

### What to look for in the offer:

- 1) Contract Term: Many retail suppliers require a minimum 1-year contract, which would prevent a customer from getting the aggregation rate until the contract ends.
- 2) Termination fees: Look at the cost of early termination. Most companies charge a penalty fee.
- 3) 1 bill or 2? Under the Municipal Opt-Out Aggregation program, participants will still receive 1 monthly bill from Ameren and make 1 payment to Ameren. Some retail suppliers do not have this provision meaning customers may receive their regular bill from Ameren and a separate bill from the retail supplier.

## How can I get more information about the village's aggregation program?

Public meetings and information sessions took place. The municipal website will feature all materials related to the referendum and the aggregation program as soon as they become available. You can also call our consulting group, Good Energy, at 309-309-245-4566.