

## FOR IMMEDIATE RELEASE

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## MAYOR EMANUEL ANNOUNCES NEW ELECTRIC BILL SAVINGS FOR CHICAGOANS

Second Year of City's Bulk Energy Purchasing Program Expected to Deliver \$24 Million in Savings; Residents and Businesses Have Saved \$32 Million To Date

Mayor Rahm Emanuel announced today that he has negotiated an electricity rate with Integrys Energy Services for the second half of the City's aggregation agreement that is expected to save as much as \$24 million for Chicago residents and small businesses, while ensuring that all of Chicago's energy comes from non-coal sources. Starting in May, the average participant in the aggregation program will see an average savings of \$34 as compared to the expected ComEd effective rate, which is set to increase in June. The City's aggregation program has saved more than 720,000 Chicago households and businesses an average of \$42 on their bills since February 2013, resulting in a total savings of \$32 million to date.

"By buying electricity in bulk, we have delivered \$32 million in electricity bill savings to Chicago's residents and small businesses since February 2013," said Mayor Emanuel. "This is real money back in the pockets of Chicagoans and this program will continue to save money over the next twelve months of our agreement."

Chicago is the largest city in the country to have purchased electricity in bulk on behalf of its residents and businesses. Through this use of bulk buying power, the City secured a coal-free power mix. This cleaner supply mix has resulted in a 16 percent reduction in the City's carbon footprint, removing the equivalent of 100,000 cars from the streets. Additionally, Illinois wind farms will physically generate 5 percent of the electricity provided through the municipal aggregation program.

The municipal aggregation program has also provided residents and small businesses with top quality service according to Ameresco, Inc., a third party validator retained by the City to test and validate Integrys' performance in administering the program. After conducting a thorough audit of the program, Ameresco concluded that Integrys delivered all promised savings and clean energy to ratepayers and customers were enrolled or unenrolled accurately and promptly. In addition, the report found that Integrys' customer services exceeded expectations and contract requirements by answering 97% of customer calls within 20 seconds during normal business hours and during afterhours and providing multilingual assistance through Spanish and German speaking staff and offering a 24/7 foreign language interpretation service that can handle inquiries in any language. To view a scorecard of Integrys' performance in 2013, click <a href="here">here</a>.

Customers will have an opportunity to opt out of the program via phone, mail, or web and return to ComEd. Opt-out letters will be mailed starting the week of March 17 and customers will have 14 days to decide whether they would like to opt out of the program before the new rate takes effect. Additionally, after the initial opt-out period, residents will still have the opportunity to leave the program at any time without charge, fee, or penalty. All current Chicago residential and small commercial members will be automatically enrolled in the program under the new price, unless they opt-out.

During the second year of Chicago's aggregation program, , the pricing structure will shift to a demand-based electricity supply approach that is designed to result in lower rates for households that use less electricity. The new pricing will begin with the May 2014 meter read and is based on a two-part pricing structure, called "My Balanced Energy Plan." The plan produces lower rates for smaller electricity users by setting a low energy fixed price of 5.299 cents per kilowatt-hour and a monthly customer charge of \$22.36 for single-family customers and \$9.06 for multi-family customers. The City estimates that this structure will deliver the average customer \$34 in savings over the final year of the program.

In addition to delivering savings to Chicagoans, the City's agreement will continue to offer the same consumer protection and environmental benefits negotiated under the City's aggregation program, including no hidden fees or exit fees and non-coal supply.

Integrys Energy Services will also be required to beat or match the ComEd price. If the Integrys effective rate for the average residential users rises above the ComEd rate, including the Purchased Electricity Adjustment (PEA), then Integrys will be required to match the price or send Chicago customers back to ComEd at the request of the City.

"We as a City negotiated an agreement that is providing Chicago residents and small businesses an opportunity to save money on their electricity bills," said Alderman Edward M. Burke, Chairman of the City Council Committee on Finance. "In this difficult economic climate, the City is continuing to do everything possible to achieve savings for our residents and business owners."

Building on the success of the aggregation program, the City has extended the use of its bulk purchasing power to negotiate cheaper rates and environmental benefits for small businesses and for City facilities and street lights. In January 2014, Mayor Emanuel and Integrys launched the Small Business Energy Advantage Program, an initiative that will use the City's bulk purchasing power to provide an estimated 40,000 additional small businesses with the opportunity to opt into the City's program and save up to 12 percent off of the ComEd rate from February to June. In addition, in November 2013 the City negotiated a contract with Constellation NewEnergy, an Exelon company, to supply electricity for the City of Chicago's facility and street lighting accounts under a 25 month contract. The new rates secured will deliver a 2 percent discount from the City's last electricity contract, amounting to a reduction in City electricity costs of \$1.2 million over two years, and will also eliminate coal from the electricity sourced for the supply of City facilities, removing the equivalent of 221,000 cars from the road.

A majority of Chicago voters authorized the City in a referendum vote on November 6, 2012 to explore the electricity bill savings offered by municipal aggregation. Mayor Emanuel announced in December 2012 that the City selected Integrys Energy Services after conducting an open and

competitive bid process. The transition to Integrys was seamless, with ComEd continuing to be responsible for delivering electricity, responding to outages, and reading meters. The City selected Integrys on the basis of lowest price margin from among eight interested companies to serve as Chicago's electricity supplier following an open and competitive two-stage bidding process.

For more information, please go to  $\underline{\text{http://www.integrysenergy.com/aggregation/il-chicago/}}$  or call 888-802-2885.

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