

Customer Choice and Municipal Aggregation

FAQs

Q: What does “customer choice” for electric supply mean exactly?

A: There are two major components that make up a customer's electric bill. One is the delivery charge that represents about a third of a customer's total bill. This delivery charge covers the costs associated with delivering electricity to a customer's home, such as maintaining poles and wires, restoring outages, etc. The other two-thirds of a bill covers the electricity itself. For this supply charge, ComEd customers have the ability to choose from a number of retail electric suppliers (RESs). These suppliers are offering all sorts of different pricing plans and options that customers can consider. There are a number of RESs currently authorized by the Illinois Commerce Commission to sell electricity supply to ComEd customers.

Q: What is ComEd's position on customer choice?

ComEd has long believed that customer choice for electric supply was the right policy to spur innovation, competition and the lowest possible price for power. The emergence of competition in the residential market is exactly what supporters of the law envisioned and ComEd remains committed to doing everything we can to implement that vision.

Q: What is Municipal Aggregation and how is that different than “retail choice”?

A: Retail choice simply refers to the ability for customers to choose from any number of authorized RESs.

Municipal aggregation is a process whereby an entire community moves to a RES as a group. The advantage of aggregation is that each individual customer does not have to understand the variety of offers that are available from a wide range of suppliers. The municipality – often with the assistance of a consultant – can do much of that research on behalf of the community and select the offer that they believe reflects the best value.

Customers need to be aware of what their municipality is doing. This is an opt-out program, so customers who do nothing will be switched to an alternative supplier if the municipality makes that decision. Customers always have the right to shop on their own or opt-out of the municipality's program, but they must make that decision known to their municipality. Municipalities are required to send letters to their residents giving them this option. It is the customer's responsibility to take action, if they choose to do so.

Q: What's ComEd's position on municipal aggregation?

A: ComEd supports municipal aggregation. ComEd works cooperatively with municipalities who elect to aggregate by providing load data and other necessary information. We also work with the alternative suppliers to make sure customers are enrolled with the correct suppliers on a timely basis.

Q: If a ComEd customer chooses a RES or is part of a municipal aggregation program, what changes in terms of service?

A: ComEd will remain the delivery service provider no matter where a customer receives electric supply. Customers will still call ComEd for outages, emergency services and questions about residential service. The quality, reliability, and maintenance of a customer's electric service will not change. RESs also have the option of having ComEd put their supply charges on the ComEd bill, so it is fairly common (although not mandatory) for residential customers to continue to get a single ComEd bill. In this circumstance, the customer still sends a single check to ComEd covering both the delivery charges and the RES supply charges.

Q: Why does ComEd not seem to care that so many customers are choosing to buy electric supply elsewhere?

A: ComEd is a distribution company only. We are in the business of getting power to our customers' homes and businesses. We restore power after a storm and maintain the enormous network of substations and overhead and underground wires. ComEd does not generate the electricity itself. We have no power plants. Instead, we buy power from the wholesale market for customers who choose to remain on ComEd supply, and pass these electricity supply costs on to our customers with no mark-up. Our customers pay what we pay. Even if every single customer bought electricity supply from an alternative supplier, our essential mission and responsibility – to deliver that power – would remain unchanged.

Q: What is the difference between what ComEd is charging for supply and what a RES is offering?

A: This can't be answered in the abstract. There are a number of RESs and each has their own plans and prices. ComEd's supply charges also change over time as new wholesale electric supply contracts, authorized by the Illinois Commerce Commission, take effect. ComEd recommends that customers evaluate their options and make an informed purchasing decision just as they would with any other purchase.

Q: Where does ComEd purchase its power?

A: The Illinois Power Agency arranges for electricity supply from the wholesale market on behalf of ComEd. The Illinois Power Agency administers a competitive bidding process each year that is overseen by the Illinois Commerce Commission.

Q: What is the impact on all customers?

A: ComEd expect rates to remain relatively flat over the next 15 months as customers switch to an alternative electric supplier.

Q: Where should customers go for more information?

A: Customers looking to examine their electricity supply options should visit www.pluginillinois.org, which is the Illinois Commerce Commission website dedicated to customer choice.

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