



VILLAGE OF CHICAGO RIDGE

10455 S. RIDGELAND AVE. • CHICAGO RIDGE, ILLINOIS 60415 • (708) 425-7700

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JAMES S. SAUNORIS

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For More Information Contact

Dennis Brennan (630) 268-9400

VILLAGE OF CHICAGO RIDGE SAVES RESIDENTS ABOUT 1.5 MILLION PER YEAR WITH ELECTRIC AGGREGATION CONTRACT

The Village of Chicago Ridge Board of Trustees saved its residents approximately \$1.5 million dollars a year, by selecting an alternative electricity supplier for its electricity aggregation program last night. Of the eight qualified bids received, Verde Energy USA had the lowest 24-month, fixed rate of 4.6 cents per kilowatt-hour.

The Village Chicago Ridge previously selected Illinois Energy Aggregation, LLC (IEA) as its aggregation consultant in order to design and oversee the Village's bid process. Energy aggregation allows the residents of municipalities and villages to collectively seek more competitive pricing on their energy bills. Illinois Energy Aggregation LLC was able to provide the Village with one of the lowest rates of the year at .4600. Other towns in the area, which have entered into contracts in 2012, have received higher rates, using other aggregation consultants, including Hickory Hills (4.98), Justice (4.87) Palos Heights (4.8), Orland Park (4.823) and Palos Hills (4.74).

Mayor Eugene Siegel praised the work of IEA noting that the company had originally promised to save the village one million dollars. "The savings of almost 1.5 million dollars for our residents is outstanding", said Siegel. According to numbers provided by IEA, the savings for Chicago Ridge residents between the Verde price and the Com Ed price is \$1,488,000 based on historical usage data.

IEA solicited proposals from twenty one (21) different alternative energy suppliers and received ten (10) responses and eight (8) qualified bids. IEA, in a presentation to the Mayor and Village Board of Trustees, noted that the prices were competitive with the bids ranging from a low of 4.6 to a high of 5.125 cents per kilowatt hour.

IEA's chief executive officer, Robert Streit credited village officials for "seeking competitive quotes and allowing IEA to negotiate the best rate on their behalf rather than contracting directly with one supplier". IEA as the Village's aggregator, held information meetings prior to the referendum, conducted public meetings to explain the village's plan of operation to residents, drafted the request for proposal, solicited quotes, reviewed the quotes,

negotiated the best price and presented its analysis to the village board. We put a lot of work into the process because the process works best when there is a competitive free market.

Chicago Ridge Trustee Brad Grove, who initially proposed using IEA as the aggregator agreed that the aggregation process and the use of a professional aggregator delivered the best price for the village residents. "The board rejected the idea of hiring one of the suppliers without competitive bids and we saved the residents almost 1.5 million dollars", said Grove. Prior to the March 2012 referendum approving aggregation, village officials were approached by a supplier that promised a fixed rate of 5.4 without the use of an aggregation consultant such as IEA. Grove said that hiring a supplier directly would have been a "terrible" mistake.

IEA and Verde Energy USA will immediately begin notifying residents of the opt-out provisions after receiving the customer list from Com Ed. "If everything goes well, our residents will begin seeing their savings in October or November", said Siegel.

IEA is a licensed energy and natural gas consultant with its offices in Oak Lawn, Illinois. Siegel noted that the company's close proximity made it very easy to work with the IEA also represents the Village of Evergreen Park, Hazel Crest, McCook, Burbank, the Township of Stickney, Worth Township and Orland Township. IEA in addition to securing prices for various towns is working with some townships and municipalities on the November 2012 referendum seeking approval for aggregation programs in those towns.

Siegel said that he would recommend that any village or township thinking about this process would be well advised to speak with IEA. "They did a great job for us", said Siegel.

IEA is owned and operated by Robert J. Streit and Dennis Brennan. Streit is a six term Village Trustee in Oak Lawn. Brennan, who also serves as General Counsel for the company, has served as a Village Trustee in Merrionette Park, as President of the Hinsdale Township District 86 Board of Education and as a DuPage County Health Board Member. Streit and Brennan's collective years of governmental experience allow IEA to work closely with municipalities and townships to secure the best prices for energy.

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