



## Municipal Electric Aggregation Questions and Answers

### **What is Municipal Electric Aggregation (MEA)?**

When Illinois in 2007 deregulated electricity for homeowners and small businesses, communities throughout the state were allowed to pool, or aggregate, the volume of electricity their residential and small commercial customers used.

### **What advantages does MEA provide for the small user?**

First is savings. Second is choice. Larger volumes of electricity have helped communities obtain lower prices than the Ameren “default rate” for electric supply for groups of small consumers.

### **By what process is an MEA program established in a community?**

The law requires that a majority of voters within a community’s corporate limits at a referendum authorize the municipality’s governing board to establish and operate an MEA program.

### **How many Illinois communities have done so?**

Voters in more than 700 Illinois communities have authorized their governing boards to establish MEA programs.

### **What are the details of the new MEA contract our community just signed?**

The municipality awarded a 12-month contract to Homefield Energy of Collinsville, Illinois. Homefield in February submitted the lowest of three competitive bids to provide electricity for the local MEA program. The new contract will begin with electric meter readings in July.

### **What is the new rate and how does it compare to Ameren’s rate?**

The new rate will be 8.663 cents per kilowatt hour, nearly 27 percent less than Ameren’s “Price to Compare” of 11.833 cents per kilowatt hour. We should note that Ameren is expected to adjust its rate in June.

### **Is Homefield’s rate fixed for the length of the contract?**

Yes. There is a provision, however, that would allow Homefield to recover unanticipated costs of laws or regulations during the contract period.

**What supply costs does the rate cover?**

It covers capital and operating costs of electricity generation and transmission.

**What other charges will appear on the bill?**

Since Ameren will continue to serve as the local distributing company, its distribution charges will be shown separately on the bill. State and any local taxes will also appear on the bill.

**Who is eligible to participate in the electric aggregation program?**

Residents and small businesses within the community's corporate limits are eligible .

**What small businesses are eligible to participate?**

Any small business using fewer than 15,000 kilowatthours of electricity per year is eligible.

**Can the owner of a residential apartment building or complex participate?**

Yes, as long as the electric bill for the apartment is in the owner's name.

**Can a renter participate?**

Yes, as long as the electric bill for the apartment is in the renter's name.

**How about residents of public housing?**

Yes, as long as the bill for electric service is in the resident's name.

**What if a person or business does not wish to participate in the program?**

Your governing board assured that residents could decide their electric supplier by enabling anyone to opt out at any time and without fee or penalty.

**Will residents be notified about the program and their right to opt out?**

Yes. Homefield on May 26 will send to each eligible resident a letter with information about the program, including the new rate, terms and conditions, and no-cost ways to opt out. Additionally, Ameren will write to each eligible participant to report it has been notified that Homefield will become the resident's electric supplier in July.

**Can a person return to the municipality's program if he or she decides later to participate?**

Yes. But the person must return to Homefield supply within two months of opting out, or the account will be required to remain with Ameren supply for a total of 12 months.

**Will it cost anything to return to the community's program?**

No.

**Will this program have any negative effect on Ameren?**

No. Ameren has not owned electric power plants since 2013 so loses nothing when another electric supplier provides service to MEA communities. So, while the local program includes the costs of supply and transmission, Ameren will continue to be the local distribution company.

**Does that mean that if I have a power outage or problem, I should call Ameren?**

Yes.

**Will a participant receive a separate bill for Homefield's electric supply cost?**

No. The monthly Ameren bill will include Homefield's energy supply charge.

**Will programs like budget billing and energy assistance still be available?**

Yes.

**Will the installation of solar panels on my home have any effect on my participation in the program?**

No.

**What happens if Ameren's rate falls below the community's MEA rate?**

Residents always have the right to opt out of a community's electric aggregation program at any time. That includes opting out to take advantage of a lower Ameren rate or a lower rate available from an alternative electric supplier.

**What will happen at the end of the 12-month duration of the Homefield contract?**

Our community has a consulting firm that continues to look for pricing opportunities and will have a recommendation well before the end of the contract.

**What if a person has more questions about electric aggregation?**

Homefield Energy's customer care center will answer your electric aggregation questions. Call toll-free 866-694-1262. To avoid long wait times, you can leave your number and the center will return your call in the order received. The center operates from 7 a.m. to 5 p.m. weekdays.

Information is also available online at [www.pluginillinois.org](http://www.pluginillinois.org).