

# Competitive Energy News

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## Switching Statistics: The Numbers Tell A Compelling Story!

Surprised? Members of ICEA aren't. Our members as well as other competitive retail electric suppliers (also known as Alternative Retail Electric Suppliers or ARES) serve this load. The latest switching statistics published by the Illinois Commerce Commission (ICC) show that retail competition has resulted in a significant amount of electricity being purchased from someone other than ComEd or Ameren. In fact, 99.9% of electricity sold to customers over 10 MW in the ComEd territory is served by ARES.

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## Welcome to the inaugural edition of "Competitive Energy News" from the Illinois Competitive Energy Association (ICEA)

ICEA is an Illinois-based trade association of competitive energy suppliers dedicated to ensuring that Illinois citizens, businesses, and all other energy consumers have the opportunity to enjoy the many benefits that robust competitive energy markets can bring.

Many of you already enjoy the benefits of retail energy competition today. Over 57,000 electric consumers and over 300,000 natural gas consumers in Illinois have left their electric or gas utility and chosen a competitive supplier for their electric or natural gas supply.

Competitive energy suppliers serve all segments of the economy including residential customers, small businesses, commercial retail, local governments, park districts, schools, cultural institutions, sporting facilities, hospitals, hotels, restaurants, manufacturers and even – at the wholesale level – utilities.

The competitive energy suppliers that are members of ICEA help customers manage their energy costs through a range of pricing options, clean energy products, innovative technological solutions and customized offerings.

ICEA looks forward to bringing you news and stories from the competitive retail energy markets in Illinois and across the United States. If you have an item that you would like to share or would like to have someone talk to your group about the benefits of electric or natural gas competition, please feel free to call me at (217) 741-5217 or via email: [wright2192@sbcglobal.net](mailto:wright2192@sbcglobal.net).

Sincerely,

*Kevin Wright*

President

Illinois Competitive Energy Association

**ICEA Members Are Asked: Can you prove that electric competition has provided positive benefits to customers? Yes.**

Retail electric competition was introduced in Illinois on October 1, 1999. ICEA members are often asked “can you prove that retail electric competition has provided positive benefits to customers?” According to statistics maintained by the U.S. DOE, ten years ago Illinois customers on average paid 12% above the national average. During 2008 they paid 6% below the national average. **Adjusted for inflation Illinois customers are now paying 11% less for electricity than they paid in 1997.** Given the further reduction in wholesale electricity prices in 2009, it is anticipated that even greater savings data will be reported data after 10 years of retail competition in Illinois. Detailed statistics may be found online at [http://www.eia.doe.gov/cneaf/electricity/page/sales\\_revenue.xls](http://www.eia.doe.gov/cneaf/electricity/page/sales_revenue.xls). The introduction of competition in Illinois has also led to numerous other positive benefits for Illinois consumers.



## Switching Statistics (Continued)

In fact, the most recently posted ICC statistics show over 57,000 non-residential customers are currently served by ARES. That equates to half of the electricity supplied to customers in the Ameren utilities and over 73% of the electricity supplied to commercial and industrial customers in the ComEd service territory being served by ARES. These statistics prove what ICEA members have said for years -- customers in Illinois are exercising their right to choice in their electric supply. Detailed statistics may be found online at [www.icc.illinois.gov/electricity/switchingstatistics.aspx](http://www.icc.illinois.gov/electricity/switchingstatistics.aspx)

Other pertinent facts that demonstrate the development of the competitive retail electric market are the following:

- 38 retail electric suppliers certified in Illinois.
- 8 retail electric suppliers certified to serve residential and small commercial customers.
- Nearly half of all kilowatt hours consumed in Illinois are provided by retail electric suppliers.
- 90% of all large-size commercial and industrial customers have switched to retail electric suppliers.

## General Assembly Ends Session Focused On Energy-Related Matters

This spring, the General Assembly addressed a number of energy related matters. ICEA was active at the Capitol advocating on behalf of competitive energy markets and consumers ability to shop for the energy deal that best meets their needs. Legislation under discussion during the spring session ranged from improved consumer protections, new programs to assist low-income consumers, energy efficiency for gas consumers, and the further advancement of renewable energy in Illinois. Some of the bills which were enacted by the General Assembly include:

- SB 2150 – Expansion of Renewable Portfolio Standards to Apply to Customers Served by Competitive Suppliers (ARES) – The environmental community and Attorney General’s (AG) office sought this expansion during the last legislative session. ICEA members worked with environmental advocates, the AG and others to draft significant modifications to existing law to ensure: (i) competitive-neutrality; (ii) that customers of ARES received similar cost cap protections as those afforded to customers of electric utilities; and (iii) clear compliance mechanisms and processes.

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## General Assembly Ends Session (Continued)

- SB 171 – Consumer Protections for Consumers of Competitive Natural Gas Suppliers – Since fall 2008, ICEA members worked as lead negotiators in working with the AG, ICC, and others in crafting legislation will provide significant enhancements to the consumer protections for residential and small commercial customers taking service from alternative retail natural gas suppliers. Gov. Quinn signed the bill into law on April 10, 2009.
- SB 1918 – Innovative Energy Programs. A diverse group of low-income advocates, consumer and environmental advocates, electric and natural gas utilities, and others were able to reach consensus on a package of innovative energy programs. These include a program to assist low-income customers with paying their utility bills, advanced energy efficiency programs for gas utilities, and the ability of customers to receive utility on-bill financing for the purchase of energy efficient appliances on their electric or natural gas bills. ICEA and its members worked to ensure that these programs will be implemented in a competitively neutral fashion.

Despite being a newly-formed trade association, in a relatively short period of time, ICEA established itself before the General Assembly as a “go to” resource on competitive energy market issues.



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## About the Illinois Competitive Energy Association (ICEA)

The Illinois Competitive Energy Association is the leading source of regulatory and legislative intelligence and advocacy for competitive energy suppliers operating in Illinois. We are the respected and effective champion of customer choice and competitive electric and natural gas markets in Illinois.



### The Association's Guiding Principles:

Competitive retail and wholesale energy markets offer superior benefits to both consumers and the environment in comparison to government-controlled monopoly regulation. Specifically, we believe that

- Competitive energy markets allow consumers to shop among suppliers for innovative products, services, and rate plans that best meet their needs;
- Competitive energy markets are the best way to ensure that all consumers receive reliable energy at the lowest possible cost; and,
- Competitive energy markets are the best means to address climate change, demand response, conservation, and the development of advanced and renewable energy projects.

### The Association's Mission:

- **Fostering a regulatory and legislative environment** that encourages the development of and continued reliance on customer choice in competitive retail and wholesale energy markets;
- **Educating policy makers** and the public about the benefits to energy customers and the Illinois economy of competition in the electric and natural gas industries;
- **Being the relied-upon “go to” resource** for policy makers, local and national media, and the public on issues relating to competitive retail energy markets in Illinois;
- **Advocating positions** and undertaking projects that preserve and improve the ability for competitive energy providers to serve Illinois customers;
- **Defending against threats** to competitive energy markets caused by unscrupulous marketing practices.