

More pulling the plug on ComEd just as Nicor joins the market

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Nicholas Apostal is so excited to be saving \$40 to \$50 a month on his electric bill that he's recommending his home-buyer clients do the same.

Apostal decided to pick an electricity rival to Commonwealth Edison for his home electric service after his friends wrote on Facebook about the savings they had realized from switching.

"Then I got a letter from a company saying I could save money on my electric bill, and I put two and two together," he said.

Apostal is among more than 83,000 people who have switched to an electric utility other than ComEd since competition in the industry revved up in January, a new report shows. That's fewer than 2.5 percent of ComEd's 3.4 million residential customers in Northern Illinois.

But a new player is poised to gain some of the market: Nicor Inc., which provides natural gas to 2 million suburban customers, will become the best-known competitor later this month when the Naperville-based utility enters ComEd's residential market territory.

A Nicor subsidiary recently entered an agreement with Dominion Resources to provide the electricity under the "Nicor Electric" name, said Nicor spokesman Richard Caragol. Nicor will provide marketing and customer-call support for the electric service, he said. Dominion, based in Richmond, Va., provides electricity to more than 750,000 customers in 13 states.

ComEd spokesman Bennie Currie said the utility has long advocated competition.

"We support the right of our customers to choose their energy supplier," he said.

Though the number of customers using providers other than ComEd is tiny, the data show a surge of interest since BlueStar, the first competitor, started offering residential electric service to a few hundred customers in April 2008, said Kevin Wright, president of the Illinois Competitive Energy Association.

BlueStar, headquartered at 363 W. Erie in Chicago, expanded its residential services in May 2010, and encountered its first rivals when other utility companies entered the market in January, Wright said.

ComEd doesn't make a profit selling you electricity. It passes along the cost it pays for power but bills for delivering electricity to your home. Thanks to an Illinois Commerce Commission decision, alternative suppliers are able to piggyback onto ComEd bills instead of having to send out separate bills.

Wright said the state's policy of enabling customers to receive one electric bill, listing both their supplier's price and ComEd's price for delivering the electricity, helped make it easier for people to switch suppliers. Some of the ComEd rivals do their own online billing, in which case the customer still pays ComEd for service delivery. That's because, regardless of which supplier a person chooses, ComEd remains responsible for the poles and the wires over which it delivers the electricity.

Customers also quickly realize a benefit by being able to choose among competitive offers, Wright said.

Ten companies offer residential service locally with a variety of prices and contract terms. Besides BlueStar, they are Ambit Energy, based in Plano, Texas; Champion Energy, based in Houston; Constellation Energy, Chicago; Direct Energy Services, Toronto; Energy Plus, Philadelphia; IGS Energy, based in Dublin, Ohio; Integrys Energy Group, Chicago; Nordic Energy, Chicago, and Spark Energy, Houston.

Apostal, the principal broker at The Apostal Group, affiliated with Coldwell Banker, used the website Power2Switch.com to choose BlueStar Energy Solutions as his electricity supplier about four months ago. When he discovered that BlueStar's headquarters office is three blocks from his condo, he felt even more confident in his choice.

"That made it feel very real," he said.

Another benefit is that BlueStar lets Apostal pay his monthly electric bill online, automatically, from his checking account.

"I was happy to get away from receiving paper bills and advertising," he said.

The utilities' residential kilowatt-hour prices and offerings will be posted, starting some time this week, on the Illinois Commerce Commission's website, PlugInIllinois.org.