

# What To Know About Alton's Agreement With Constellation NewEnergy

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ALTON - The City of Alton recently signed an energy aggregation agreement with a new energy supplier, Constellation NewEnergy, Inc. - but what does that mean for Alton residents and their energy prices?

Energy prices in general are set to go up nationwide for the winter months - but after December, how much they go up in Alton depends on which electric supplier residents choose.

[Section 1-92 of the Illinois Power Agency Act](#) allows local governments to participate in a municipal electricity aggregation program to negotiate the price of electricity for residents and local businesses. Since this became law in 2007, Ward 7 Alderman Nate Keener said Alton residents have been able to choose where they get their energy from.

“In the case of Alton, our local government negotiated on the electric market for a supplier of that electricity,” he continued. “Now that we’ve passed that, Alton residents will get to choose whether they want Ameren to deliver the electricity at the best rate Ameren can get, or whether they want to go with the supplier that we chose through that competitive process.”

Ameren’s current market rate is 12.236 cents per kilowatt hour, while Constellation NewEnergy’s rate is 12.10 cents per kilowatt hour. The City of Alton’s three-year contract with its current electric supplier, Homefield Energy, ends in December of this year. Their rate was 4.29 cents per kilowatt hour and had been locked in since the contract took effect three years ago, which Keener said protected Alton residents from Ameren rate hikes this past summer.

With that contract set to expire at the end of this year, Good Energy, LP negotiated on behalf of the City of Alton to secure the new Constellation rate, since Alton chose Constellation as its new energy supplier. The new contract with Constellation is set for a term of 22 months.

Keener said Alton residents should expect letters in the mail notifying them of the change in electricity suppliers and asking them to either opt in or opt out, depending on which supplier they prefer.