

Glen Carbon Residents Face Another Electricity Decision

by Dalton Brown, News Reporter March 26 2024 9:02 PM



GLEN CARBON - Glen Carbon residents will be asked again later this year whether they wish to opt out or remain part of the village's municipal electricity aggregation program, which seeks to save village residents and businesses money on energy costs by securing the lowest possible rate for electricity.

While exact rates and details will not be official until a bidder is selected, Village Administrator Jamie Bowden said the market is offering "very competitive" rates right now.

"The reason we're doing it now is because we were approached by consultants GoodEnergy. They're at a point where the market is very competitive," Bowden said. "They can go out to bid at this point and tie in a lower rate - they're thinking between 7 and 8 cents. Currently, right now, we're under contract for over 12 cents, which runs until Dec. 31, ."

In 2022, the village <u>announced</u> they had signed on with Constellation NewEnergy as their supplier at a fixed rate of \$0.1210 cents for a 22-month term which began in February of 2023. Once that term expires, the new agreement with the new supplier and the new rates will take effect on Jan 1, 2025.

Even if the new rates are higher than Bowden estimated, part of the agreement requires the new cost per kilowatt hour to be "less than the default rate currently charged by the default electric provider, resulting in savings for the Village's residential and small commercial retail customers."

Bowden said village residents can expect a letter in the mail from the chosen bidder sometime in October or November of 2024 before the new agreement takes effect next year. The letters will contain more information about the new rates and the option to opt out of the program if desired.

Those who opt out of the program will continue paying the existing energy rate from the village's current electrical supplier, while those who do nothing will remain in the program and pay the new rate from the new supplier.

At their meeting on Tuesday, Village trustees considered an agreement with "the lowest responsible bidder for the supply of electricity for residential and small commercial retail customers who do not opt out of such a program." The item passed with unanimous approval.