



VILLAGE OF HINSDALE PRESS RELEASE

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VILLAGE OF HINSDALE ANNOUNCES UPDATED ELECTRIC RATES

February 23, 2015 – Village agrees to negotiated electric aggregation rate adjustment due to regulatory events.

The Village's electric aggregation program has been in existence since 2012, when Hinsdale residents approved the program by referendum. Electric aggregation enables municipalities to take advantage of deregulation within the electric markets to provide lower, more stable electric rates to residents. Nordic Energy Services ("Nordic") was the successful bidder.

Since 2012, residents participating in the electrical aggregation program have saved a total of \$4.8 million, or approximately \$974 per household. The Village's energy consultant, David Hoover of Northern Illinois Municipal Electric Collaborative (NIMEC), stated that he "knows of no other aggregation program that has achieved this magnitude of savings for its residents."

Last winter Nordic notified the Village of potential rate increases due to extreme winter weather events. This story was covered in Crain's Chicago Business in February 2014. No rate increases went into effect due to those events.

The Village's contract with Nordic remains in effect until July 2015. However, the contract provides for adjustments to electric supply rates due to "regulatory events." Several recent regulatory events have required adjustments related to increased electric transmission rates, Purchase of Receivables with Consolidated Billing adjustment (PORCB) rates, and capacity and transmission rates.

These events will result in modifications to the Village's negotiated electricity rates, which will be passed along to Hinsdale consumers in accordance with the 2012 agreement. A consumer with a \$200 electric bill will see a monthly increase of approximately \$15 in "electric supply" charges on their ComEd bill.

The updated rates will continue to provide significant savings over ComEd. The current ComEd fixed rate for residential electric supply is approximately 7.6 cents per kilowatt hour, whereas Hinsdale consumers will now pay approximately 5.4 cents per kilowatt hour through the life of the contract.

Nordic will be issuing a mailing to this effect later in February; the rate changes will be enacted beginning with the February meter read (related to the prior month's consumption). This spring, the Village will begin the process of selecting a new supplier to provide service at the expiration of its contract with Nordic in July 2015.

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