



**Good Energy Central and Southern Illinois Electric Buying Group  
Frequently Asked Questions**

**Bid Opening  
Wednesday, February 24, 2016  
Meeting begins 12:00 Noon**

We have prepared this list of questions and answers to assist you in preparing for the bid event.

When does the current contract expire?

*Your community's current supply agreement expires in June 2016.*

What is the process for procuring a new contract?

*As we have done in the past, Good Energy will schedule and host meetings throughout the area to review bids from suppliers and make a recommendation. Your representative at the meeting will sign the contract once he/she has reviewed the details. Your council/board has authorized this action.*

When will the procurement event take place?

*Wednesday, February 24<sup>th</sup>. The location for your community representative is identified in the email to which this document is attached.*

How many communities are participating?

*114 communities will participate in this event. The group has grown, as several new communities have asked to join.*

What has occurred in the market since our last procurement?

*As Good Energy has forecast in previous discussions with your community leaders, electric power prices are rising. Electricity consumers in our region have benefitted from a prolonged period of depressed pricing due to excess supply. This is holdover from the Great Recession of 2008-2012. Much commercial and industrial demand was lost during that period. More recently, commercial electric use has rebounded. At the same time, certain key electric generators in our state and region have shut down, or have announced plans to do so. The loss of regional power generation (capacity) is a result of the shuttering of some aging coal-fired plants. To continue operating in the future, remaining coal-fired plants must comply with more stringent federal and state emission control standards that will take effect in 2017. It is widely believed that the imposition of the new standards will trigger more shutdowns. This has significantly increased the capacity component of power prices, resulting in additional volatility in future prices.*

What term lengths are recommended? Why?

*As noted above, the upward pressure in market prices is being realized throughout Illinois and the Midwest region. A competitively-procured electric supply contract provides a hedge for your community during a multi-year period against further price volatility. Electric supply rates from Ameren already reflect these higher costs, as the utility passes them through to its customers with no option to stabilize prices over multi-year periods. For these reasons, we recommend a 36-month term to provide*



*price stability across the implementation of pending emissions limit reductions. A 36-month term will be in effect until June, 2019.*

Is renewable energy still an option?

*Yes. All of the supply options will include the required Illinois renewable energy minimums, which change each year. We refer to this as the Traditional Power option. For communities electing additional voluntary renewable energy (in the form of RECs) above these minimums, we will solicit 50% and 100% renewable options. Your representative can choose one of these options at time of contract signing on February 24.*

Are there any other changes from our current contract?

*Previous contracts included a "price match" clause allowing the community to cancel the contract if the utility price dropped below the contract price. Suppliers are no longer willing to offer this feature, and will not participate if it is required. Note that your participants may choose to opt-out of the program at any time with no penalty or fee.*

Is another opt-out period required for the new contract? Who will coordinate this?

*Yes, a 21-day opt out period will follow the contract award. It will be conducted this Spring prior to expiration of the existing contract. A letter will be sent to every eligible account holder in your community with the new price, term length, and the Terms and Conditions. Good Energy will coordinate this process with the successful supplier.*

Is there sufficient competition among suppliers?

*Yes. Though there has been some consolidation among suppliers serving this region, we are experiencing robust competition among qualified suppliers.*

What if eligible accounts in my community want to join after the opt-out period? What about new accounts?

*Any eligible electric account in your community's jurisdiction may join the program, and be guaranteed the contract rate during the term of the agreement. Additionally, Good Energy conducts a monthly screen of all eligible new accounts in your community, and coordinates an opt-out process for such new accounts to join the program.*

If you have any further questions, please contact your Good Energy representative, or call 866-955-2677.