

# Power Line

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Midwest's Largest Electric Purchasing Pool

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Quarterly Newsletter  
Spring 2002

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## We've Got Gas!

by Ronald C. Steigerwald, Statewide Marketing Director for IEC

That is correct, we do have gas, natural gas that is. Hopefully, by now you either received our broadcast fax regarding our new program along with a membership agreement. Whether you are currently in a natural gas pool, or are being supplied by your local utility, the IEC can save you money, especially if you use over 20,000 therms. Remember, this program is only in the Nicor, Peoples Gas and North Shore Gas areas at this time. But stay tuned, we do hope to expand our service territories.

Remember this when contemplating your decision. Only the IEC can offer the following:

- Competitive rates with the ability to lock-in longer term prices if we need to.
- The ability to leverage the purchasing power of all of our members, thus reducing member's costs.
- Products that allow the IEC to maximize member savings and take advantage of volatile markets.
- Stability and financial strength.
- A disciplined and well organized staff that will ensure an efficient billing system and a seamless transition to the IEC.
- An Illinois company with an outstanding track record.
- Experienced and expert personnel who will assist the IEC in making timely purchasing decisions.

### It Pays To Have The Illinois Energy Consortium (IEC) As Your Supplier

Stock market prices are volatile and if you have just visited the gas pump recently,

you will notice at least a 15 cent increase in cost per gallon of gasoline. Now that everything is at its lowest, interest rates, utility costs, etc., there is only one place for them to go and that is up. You do not need a crystal ball to see it coming. That is why it just makes good, common sense to investigate what your savings could be with the Illinois Energy Consortium (IEC). Don't waste another moment. Whether you need information on the electricity program or the **new natural gas program**, it is as simple as picking up your telephone and calling me, Ron Steigerwald at 847.567.3051. You will be happy you did.

### We Need Your Help

Only **you** can help the IEC and CILCO to ensure that your electrical cost savings are accurate. In order for CILCO, our program administrator, to be extremely accurate, you must tell them when any changes occur in your district.

The changes that I am specifically addressing are new buildings, additions, demolitions and meter changes. If you add a building, or convert a building to electric heat and air conditioning, we will not be able to accurately project the amount of energy that you need to run your schools. If CILCO underdelivers or overdelivers too much electricity to your school, CILCO is assessed a penalty by your utility company. This expense is passed on to your district through the program, which could increase your costs and thereby, lower your savings.

If you are a district preparing to switch accounts to the IEC, any changes sug-

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# Internet Resources

by Kristi Fitzanko, IEC Energy Advisor

The internet has vaulted us into the information age. The challenge has been to find the information and then determine how to use it. Utility companies have never been at the forefront of technology, but the Illinois Commerce Commission has required public utilities to provide data for their customers via the internet. ComEd, Illinois Power, Ameren, CILCO, and MidAmerican Energy have developed internet sites that provide customers access to historical usage and billing information.

Most sites provide at least 12 months of usage history; and in some cases, such as, ComEd, they provide 24 months of information. Every site provides basic information—meter read dates, kwh usage, KW demand, rate class. Some sites provide meter numbers, on/off peak usage, billing information, and Customer Transition Charge factor. Each site varies slightly.

This information can be used to better manage your energy.

- Compare this month's usage to a year ago the same month
- Compare this month's usage to last month's usage
- Validate the usage is correct on your IEC bill, another marketer's bill, or your host utility bill
- Track the demand to insure you are being billed correctly

The following are the internet addresses for each utility mentioned above. You will need the current account number and valid meter number in order to access the information. This information should be found on your utility bill. NOTE: In the case of Illinois Power, you will need to call the number listed to set up an account for billing purposes. Illinois Power will charge you \$5.00 every time you access this information. All other utilities do not charge for this service.

**www.comedpowerpath.com** - Click on Residential Choice, click on

Customer Data and Forms, click on Summary Data, enter account number and meter number

**www.illinova.com/ip.nsf** - Under Electric Choice, click on Customer Options, click on Customer Billing, click on Access Your Account, follow the instructions listed

**www.ameren.com** - Click on Your Business (in the left hand corner), click on Customer Information, Under Monthly Consumption, click on View, enter account number and meter number

**www.cilco.com** - Available April 1, 2002

**www.midamericanenergy.com** - Click Energy Choice (on left hand side), click Historical Customer Info (on left), enter account number and meter number

For more information, please feel free to call me, Kris Fitzanko, 309.677.5246, IEC Electric Program Administrator.

# The IEC website, www.illec.org

by Sandy Lopez, Director of Technology, Illinois ASBO

Remember to visit the IEC website, [www.illec.org](http://www.illec.org), for information pertaining to the governing board, monthly savings, participation agreement policies, Bylaws and past issues of Powerline. Information about the new gas program and how to participate will also be available to you on the IEC website. Please feel free to send comments and suggestions to Sandy Lopez at [slopez1@niu.edu](mailto:slopez1@niu.edu).

The screenshot shows the homepage of the Illinois Energy Consortium (IEC). The header includes the IEC logo and a "Home" link. A navigation menu on the left lists: Home, Administration, Sponsors, Governance, Participation, Monthly Savings, Bylaws, Newsletter, and Contact IEC. The main content area contains a paragraph describing the IEC as a joint energy purchasing consortium sponsored by IASB, IASA, and IASBO, designed to lower utility costs. It mentions the IEC's formation in 1999 and its current operations. Below this, it states that Latham and Associates performed a feasibility study for a Natural Gas Program, and the IEC Board reviewed the findings on March 1, 2002. A subcommittee of three interviewed four candidates and selected Peoples Energy Services (PES) of Chicago as Program Administrator and Supplier. The text concludes with contact information for Ron Steigerwald, including a phone number (847.634.8254) and an email address ([rsteigerwald@hotmail.com](mailto:rsteigerwald@hotmail.com)). A footer at the bottom of the page contains a series of links: [Home] [Administration] [Sponsors] [Governance] [Participation] [Monthly Savings] [Bylaws] [Newsletter] [Contact IEC].

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## Peoples Energy Services (PES)

By John Nania, Program Administrator and Supplier for the IEC natural gas program, Peoples Energy Services, Jnania@aol.com

PES (Peoples Energy Services) is proud to be chosen by the IEC as the Program Administrator and Supplier for your natural gas program. PES is headquartered in Chicago and is a subsidiary of Peoples Energy Corp. (NYSE... PGL), which also owns *Peoples Gas* and *North Shore Gas* utilities, as well as, significant gas and oil reserves and electric generating capacity. The assets of the organization are over \$2.1 billion. The combined companies employ over 3,800 people locally with PES employing over 60 energy specialists. PES presently services approximately 300 schools in the state so we already know many of you very well.

Our mission is to ensure that you have the lowest possible utility program costs, competitive commodity rates, no risk, and a hassle free program. We will serve as your agent and ensure a seamless transition when you switch to the IEC. We will also continue to work closely with the IEC and to keep them informed about market changes that can impact your operation.

With PES, you'll enjoy our simplified billing. You will receive one combined invoice for all your utility and commodity charges. PES will pay your utility bills on your behalf and combine them with our charges. The bills are easy to understand with no hidden charges.

Natural gas prices react to forecasted summer and winter weather, the

economy, production levels and several other factors. As a result, predicting future prices can be very difficult. For example, winter of 2000-2001 hurt many consumers with the highest prices ever. This was followed by this winter, (which may be the warmest ever), where prices dropped dramatically. This certainly can play havoc with your budgeting. Unfortunately, we expect to see much of the same movements going forward. These new uncertainties in natural gas prices demand the necessity to aggressively manage your energy costs. We want you to take advantage of all opportunities in the market and to be insulated from risks. We will work hard to ensure that the IEC members receive just that.

The IEC will ensure the rate you pay is competitive to ensure the biggest savings possible. PES will give the IEC an option to lock in a competitive fixed rate at any time. This can be for a portion or for the entire volume. This is particularly important given the **very volatile** nature of energy prices. Good timing and execution can make a big difference in your budget. With the leverage of your aggregated size, careful planning and execution, and good market research combined with an experienced supplier like PES, this should prove to be of enormous value to the IEC members.

## IEC Natural Gas

by Robert J. Latham, President, Latham & Associates, IEC Energy Advisor

The IEC Gas Program is off to a fast start. The benefits of joining the program include:

- Cost savings through volume discounts, capturing diversity and minimizing penalties,
- Reducing school administrative costs by outsourcing to a program administrator,
- Price/Budget risk management,
- Joint action with regulators and legislature to reduce rate barriers.

Individual participant savings may range from hundreds of dollars annually to several thousand dollars depending on usage, building construction and weather conditions. After the experience of winter one year ago, protecting natural gas budgets from exorbitant price spikes is at least as important as making sure prices are lower overall. Administrators would rather project budgets at competitive prices in the \$3.00 to \$4.00 per dekatherm range and achieve fewer savings relative to utility prices than to risk price spikes of up to \$10.00 per dekatherms. The IEC can lock in competitive fixed prices for the winter months and eliminate the risk associated with price spikes.

The IEC is a turn-key program based on the electric purchasing model. The IEC provides historic savings estimates, supply and transportation administration, nomination and dispatch, and will pay the natural gas supplier and utility. The IEC offers each participant one-stop consolidated billing and reporting. If you have questions, contact Ron Steigerwald at 847.567.3051, or email [rsteigerwald@hotmail.com](mailto:rsteigerwald@hotmail.com).

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## We've Got Gas!

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gested above could have a bearing on the projected analysis prepared by CILCO. Please make us aware of any changes you envision down the road when you send us your information.

Referendums were on the March ballot and construction at the school districts may take place as early as June in some areas. Keep us posted and up-to-date. Help us to be accurate by notifying CILCO at 309.677.5246 of any changes.

# IEC Program Information By Month

by Kristi Fitzanko, IEC Energy Advisor

	<u># of School Districts Billed by Month</u>	<u>Monthly Savings</u>	<u>Year-to-Date Savings</u>	<u># of Meters Billed</u>
<b>January, 2001</b>	138	\$178,982.54	\$178,982.54	1267
<b>February, 2001</b>	138	\$ 51,050.61	\$103,358.39	1267

\*The billing for the month of March had not been completed at the time the information was requested.

\*\*We track billing information by district and individual account, not by meter. This is an average of 2.5 meters per school facility in the ComEd service area. Currently there are 507 individual facilities being served in ComEd.

*Address Service Requested*



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*Marketing Services*  
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