

Good Energy Case Study

Good Energy Case Study - Village of Godfrey Municipal Energy Aggregation Success

Village of Godfrey, Illinois, Racks Up Nearly \$1 Million Savings in Electricity Supply Costs

Overview

Village of Godfrey, Illinois
Population: 18,300

Nestled on the east side of the Mississippi River between the confluences of the Illinois and Missouri Rivers, sits the Village of Godfrey, Illinois. The village is named after Benjamin Godfrey - a New England sea captain who came to the area in 1832 with \$50,000 and established many institutions.

The village's tagline "*you can see your future from here*" rings true with Godfrey's pioneering actions in 2012 when the village joined the neighboring communities of Alton, East Alton and Bethalto to advance an unprecedented municipal energy aggregation program introducing utility bill savings for participating residential and small business account holders.

Challenge – Reducing the High Cost of Energy for Municipalities

In 2009, Illinois passed a law allowing cities to hold referenda in the general and primary elections to aggregate residential and small business electric accounts. In 2012, Bethalto's mayor, Steve Bryant, invited other local municipalities to start discussions on how to leverage electricity market purchases with the goal of managing electricity costs for residents and small businesses using a bulk energy procurement program. Several municipalities, including Godfrey, placed the municipal aggregation question on the election ballot.

"The referendum passed with strong support," remarked Godfrey mayor, Mike McCormick, following the successful passage of the public referendum authorizing the village to move forward with the energy aggregation program. In 2012, the Village of Godfrey accepted a supplier contract resulting from a competitive procurement process administered by Good Energy.

Solution – Good Energy

Good Energy, the industry leader in the design and implementation of municipal energy aggregation programs, was retained by the Village of Godfrey to manage the program and represent the village in electricity procurement.

With Good Energy managing the municipal energy aggregation program - which allows for municipalities to combine its electricity usage with others within the same utility service region -- the Village of Godfrey, and several other municipalities in Madison County, were able to procure electricity from a certified alternative retail energy supplier and secure lower electricity rates for participants. In addition, the quoted electricity rates would not fluctuate, maintaining a fixed rate for multiple years, rather than the annual rate changes under utility supply. Using an energy consultant such as Good Energy helps communities navigate through complicated state and local requirements and remain compliant with state and local requirements. Residential, commercial and industrial organizations can also join the aggregation program, depending upon the legislative requirements of the state where these aggregation programs are available. The program uses an opt-out enrollment process, which basically means that all households and businesses that meet eligibility criteria are automatically included in the aggregation program unless they opt-out.

“We are more than pleased and well satisfied with Good Energy’s services - and continued services,” says McCormick. “They serviced us throughout the program - and even helped some of our residents who thought they were getting better savings in other programs, to leave those programs, where possible, and easily join the aggregation program to enjoy the same benefits as the rest of the village.”

Benefit – Savings while going Green!

"It takes forward thinking for communities to initiate innovative programs like municipal energy aggregation," says Javier Barrios, Managing Partner at Good Energy, LP. "The Village of Godfrey was one of the first to embrace the concept, and Good Energy is pleased to have delivered a successful program for the Village and its residents."

The Village of Godfrey enjoyed a total savings of \$750,000 the first year with the Good Energy aggregation program.

“It’s not every day that the local government can give back to the community - we were able to do that and help our residents save money on their energy bills,” says Mayor McCormick.

With Good Energy managing the program, not only do residents enjoy reduced energy cost, the program also initiates a conversation about renewable energy and conservation. Godfrey was one of the first communities to go 100% green, offsetting their community’s electricity usage with RECs (Renewable Energy Certificates). This type

of energy product helps renewable sources in the region to thrive and develops increased resiliency on the grid.

“Nine of out 10 households in Godfrey can’t get a better deal, so few accounts have opted out,” says Mayor McCormick. “Since our current contract rate is locked in for three years, the rates don’t fluctuate between winter and summer months. So the savings continue while helping the environment.”

About Good Energy, L.P.

Good Energy, a national energy management and consulting firm, is the industry leader in the design and implementation of municipal energy aggregation programs, providing energy procurement consulting for more than 300 communities. As of 2016, Good Energy is on target to save approximately 700,000 households well over \$153 million, with many other communities, nearly 400,000 additional households, currently in program development.

For nearly two decades, Good Energy has been a national leader in structuring and implementing cost-cutting energy savings programs. Good Energy represents thousands of commercial & industrial customers and serves more communities and residential customers than any other energy consultant in the nation. Good Energy supplies the latest efficiency applications to the market and has pioneered a proprietary buying approach that has achieved millions of dollars in savings to households and businesses throughout the nation. Learn more about Good Energy at www.goodenergy.com and follow us on twitter @GoodEnergyUS.