

DUPAGE MAYORS AND MANAGERS CONFERENCE

2008-09-12

A RESOLUTION ENDORSING GUIDING PRINCIPLES FOR A CONSUMER,
VALUE-DRIVEN ELECTRICITY SYSTEM IN ILLINOIS

WHEREAS, today's electricity system a) costs each household thousands of dollars a year due to power outages; b) wastes immense quantities of energy in the distribution process, and c) is the largest contributor to man-made carbon emissions; and

WHEREAS, many communities in Illinois suffer from power outages at a frequency that exceeds the national average. One Illinois town of 20,000, reported an astonishing 150 outages in 2008. Consumers foot the bill, paying over \$6 billion in lost productivity and recovery costs in the state, each year; and

WHEREAS, unreliable electricity jeopardizes the state's ability to attract new business and manufacturers – and to keep those that currently call Illinois home, and

WHEREAS, the average annual electricity bill for Illinois residential customers has been increasing over the past few years; and

WHEREAS, the Illinois electricity system does not offer consumers the tools such as smart meters and price signals that provide the ability and economic incentives to invest in demand reduction technologies; and

WHEREAS, Illinois current electricity policy structure severely limits improvement, innovation, consumer participation, customer choice, and private investment thereby increasing modernization costs and limiting consumer value; and

WHEREAS, Illinois electric utilities have entered into a Smart Grid rate making process to explore the costs and benefits associated with investing billions of consumer dollars in grid modernization; and

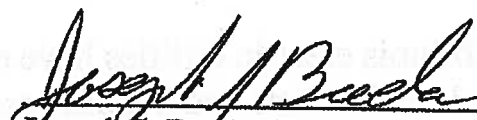
WHEREAS, a new policy structure is called for that fosters innovation, leverages local capital and resources, and incentivize utilities to work in concert with customers to transform today's grid in a cost effective manner.

NOW, THEREFORE, BE IT RESOLVED by the DuPage Mayors and Managers Conference that we express our endorsement of the following Principles which will be utilized to guide improvements to electricity system rules, rates, and policies to produce a more consumer driven electricity system - cost effective, reliable and environmentally sustainable:

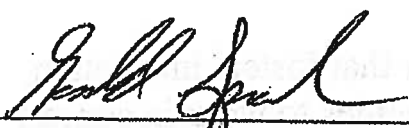
1. Citizens must have the right to access all retail electricity services, in free, competitive markets with user-friendly means and incentives to use this authority to their best advantage. This includes access to dynamic prices, meter interval data in real time, and clean generation sources.
2. Citizens, businesses and communities must have the right to aggregate consumer electricity services, including meters, and to implement free-market distributed generation microgrids that best meet their individual service needs.
3. Citizens, businesses and communities must have the right to a standard and consistent level of electricity reliability and quality, one that meets the needs of today's digital economy while recognizing that electricity is now essential to life safety and security.
4. Communities must have the right to participate in improving the electricity system through coordinated planning with utilities, long term public financing (e.g. on-bill financing), and competitive performance.
5. Utilities must be held accountability to consumers for specific performance goals and reporting of: a) reliability indices; b) costs for upgrades, repairs, and O&M; c) source energy usage; d) carbon emissions; e) demand response; f) asset utilization; and g) energy costs.
6. Electricity distribution utility revenues must be based on the quality, efficiency and reliability of their bulk power distribution service performance and not electricity consumption.

BE IT FURTHER RESOLVED that the Conference shall send copies of this Resolution to the Governor and all Statewide Officers, DuPage Legislators, DuPage Federal Delegation, DuPage County Officials, DuPage Mayors, Commonwealth Edison Officials, and other interested parties.

Adopted by the members of the DuPage Mayors and Managers Conference at a regular meeting thereof held on the 15th day of April, 2009, and approved by me as President on the same day.



Joseph J. Broda, President



Gerald Sprecher, Secretary/Treasurer