

The Hinsdalean

— Community journalism the way it was meant to be —

Consultant: Utility is more than a possibility, could be reality

By Polly Rix
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Hinsdale can operate its own electric utility, offer better service to residents, upgrade equipment, bury power lines — and put money in the bank.

Utility consultant Robert Latham told village officials Tuesday that operating a utility could net the village as much as \$117 million after about 10 years. With the profits, the village could reinvest, bury lines and make other improvements, he said.

His report offers a comparison of ComEd's service to what Hinsdale could potentially offer. As part of the feasibility study, firm representatives drove up and down each street in the village.

"We asked ourselves, 'What would it cost to do this (upgrade) today ... to replace the equipment ... the cost to buy

it from ComEd?' " Latham said.

Many factors remain unknown, but the estimates are reasonable and err on the side of conservative, village manager Dave Cook said. No one has hard costs for buying ComEd's electrical lines, paying legal fees, building a new substation or updating the existing substation, among many other projects.

"Without question we could improve reliability and have a cost savings," Cook said.

Most of the details are assumptions at this point, but Latham reported that residents would not have to pay any more for a village-owned utility than they pay for ComEd's service.

To pay for its electrical projects, the village most likely would issue general revenue bonds. The proceeds from the electric rate revenue would generate enough to make bond payments.

Cook knows some resident will wonder how a village the size of Hinsdale can compete with ComEd's services. But the village would have a greater profit margin, as it doesn't pay corporate taxes and doesn't have to produce a profit for shareholders.

Nevertheless Hinsdale officials haven't given up hope that ComEd might redirect resources to improving service in this corridor. As the suburbs have grown, the utility has spent its capital in outlying areas, officials said.

"We continue to talk daily with ComEd about what do they need to do," Cook said. "The ball is in their court."

Clarendon Hills, Darien and Burr Ridge also have had service problems with ComEd, Cook pointed out. He declined to comment about the possibility that these area communities might band together with the village.

Tune in and get wired

One solution, two problems

Outdated equipment contributes to power outages in the community as ComEd tries to move electricity through the grid, village manager Dave Cook said Wednesday. Squirrels, overgrown tree limbs and other environmental factors cause lines to go down, thus interrupting service once it arrives.

The village can break off from ComEd and provide service to its residents, but it's a process that Cook said he wants to be "slow and thorough."

Three R's
Reliability. Reinvest in the system. Rates. Those are the three basics on which Hinsdale needs to focus if it operates a utility service, consultant Robert Latham said.

Have a say
Village officials are hosting a town hall meeting at 7 p.m. Thursday, Jan. 25, at the Memorial Building,

19 E. Chicago Ave. Latham will present his study of the village's electrical service.

"I like the numbers," said Village President Mike Woerner. "They are more favorable to us than I ever imagined.

"As we move forward, anybody can come and tear those numbers apart. I'm welcoming anyone to (challenge) these. I'd like to hear what they have to say," he said.

Next big step
On Tuesday, Feb. 6, Hinsdale trustees will vote whether they should place a referendum question on the Tuesday, April 17, ballot regarding electrical service.

The question will ask voters if they want the village to move forward with researching the option of providing electrical service. The vote is designed strictly to give officials an idea of what the voters are thinking.