

Utilities poured money into Springfield IP, Exelon contributed \$196,000 to politicians

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SPRINGFIELD -- Illinois politicians collected more than \$196,000 in campaign contributions last fall from Illinois Power Co. and Exelon Corp.

The money flowed in as part of a lobbying blitz aimed at convincing Gov. Rod Blagojevich and state lawmakers to put Exelon's proposed \$2.2 billion acquisition of Illinois Power on a regulatory fast track.

Despite the influx of funds and the intense lobbying campaign by both companies, the proposal was blocked and the acquisition was called off in late November.

One consumer watchdog group says the large amount of money contributed over a four-month period shows why regulated companies shouldn't be allowed to shower politicians with campaign cash.

"They attempt to influence the process in ways the rest of us can't," said Martin Cohen, executive director of the Citizens Utility Board.

In contrast, a spokesman for one of the primary recipients of the money says the results show campaign contributions don't play a role in the outcome of proposals.

"That's always the implication drawn by good government groups and others," said Steve Brown, a spokesman for House Speaker Michael Madigan, D-Chicago. "At the end of the day, the cause that the companies were advancing -- nothing happened."

State and federal election records show campaign funds controlled by Madigan, who is also chairman of the Illinois Democratic Party, raked in \$35,000 in contributions from the two companies from September to December.

Madigan is credited with stopping the merger after he said the two companies had negotiated the plan in bad faith.

Blagojevich received a total of \$31,000, while the other three legislative leaders received an average of \$21,500 each.

Numerous rank-and-file lawmakers received smaller contributions from IP and Exelon, including Republican state Rep. Keith Sommer of Morton and state Sens. Bill Brady of Bloomington and Dan Rutherford of Chenoa.

Records show Illinois Power, which is owned by Houston-based Dynegy Inc., contributed a total of \$71,500 over that period. Exelon, which is the parent company of ComEd, contributed an estimated \$125,350.

The figures do not account for the cost of lobbyists and public relations firms who also worked on behalf of the two companies during the legislature's fall veto session.

The Citizens Utility Board was among a number of groups that fought the proposed merger, saying it would have allowed ComEd to unfairly lock in residential power rates.

Cohen said the amount of money spent by the two companies is not surprising.

"It is no coincidence that some of the largest political contributors are regulated businesses whose fortunes depend on government action," he said. "We've long held that regulated companies and their affiliates shouldn't be making political contributions."

After the deal was called off, Ameren Corp. of St. Louis launched a bid to buy Decatur-based Illinois Power. IP has about 650,000 customers in Illinois.

A spokesman for Ameren said those talks continue. The company does not expect to ask the General Assembly for any special legislation to consummate the deal.

Dynegy officials, meanwhile, contend they are actually spending less on campaign contributions in order to "focus on cash conservation," spokesman David Byford said.

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