

## Chicago ComEd Opponents Speak Out on Wednesday Against Rate Increases

Published on 4/10/2008

CHICAGO – While ComEd wants Chicago utility consumers to reach further into their pockets for more cash, consumer advocacy groups question the need for more rate increases.



The electric service provider has proposed that the Illinois Commerce Commission (ICC) grant a \$361.3 million delivery rate increase that would amount to bills **increasing 8 percent**. For the average consumer, this is about \$6 more on a \$75 monthly bill.

ComEd, which is owned by Chicago-based Exelon Corp., is asking for consumers to endure two additional surcharges – also called riders – which are additional costs to consumers apart from the amount of electricity used. ComEd says the surcharges are necessary to cover costs from storm damage and maintenance.

ComEd says the surcharge is also needed because the company is seeing marginal return on profit. Opponents spoke out in Chicago against a rate increase on Wednesday evening at the first scheduled ICC public hearing.

"ComEd is profitable enough without raising costs again," said AARP executive council member George O'Hare in Chicago. "They are balancing their corporate checkbook on the backs of Illinois consumers."

The AARP, the Citizens Utility Board (CUB) and the Illinois office of the attorney general all oppose the proposed ComEd increase. O'Hare added: "Riders are on the fast track for increases. [ComEd] unfairly shifts the risk away from stockholders onto the consumer."

He says the rate hike and new surcharges are not fair for consumers especially since customers began paying almost 24 percent more per bill in Jan. 2007.

"I cannot afford a rate increase. As seniors, we are poor," said Florita Ester, 80, in Chicago. Senior citizens are often on a fixed income and can't afford the rising costs of energy. According to the Consumer Price Index, consumers over the age of 75 spend about 5.5 percent of their income on energy expenditures.

ComEd's proposal has 11 months of trial and testimony before the ICC decides whether to approve the rate increase in Sept. 2008. The electric utility says the three main reasons for a rate increase include the cost of materials, growth in Northern Illinois and investments needed to modernize the system.

The surcharges would be a different line item on a customer's bill. Part of the modernization involves installing a digital meter-reading system that would allow ComEd to know precisely when an outage occurs and enable the company to acquire a meter reading digitally.

"Automatic meters would cause us to lose our jobs," said ComEd employee Ricardo Vences. Vences is a meter reader who physically goes out on site to gather electric readings.

He says a lot of people would get laid off if the ICC approves the rate increase and every day he talks to customers complaining to him about how hard the previous year's increase has been on their wallets.

"Nobody likes rate increases. We understand that," said Anne Pramaggiore. She's ComEd's executive vice president of customer operations, regulatory and external affairs. Pramaggiore says there are ComEd programs to help customers deal with rate increases and "safe and reliable power is the heart of this rate increase".

CUB, the AARP and the attorney general's office do not agree.

"We have heard testimony from experts and engineers. They all dispute the need for a ComEd rate increase," said Illinois assistant Atty. Gen. Janice Dale. "ComEd is overstating its increase by \$300 million."

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