

ICC judges back most of rate increase sought by Ameren

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If the Illinois Commerce Commission rules in favor of its administrative law judges' recommendation filed Tuesday, Ameren will receive about \$164 million of its requested \$207 million rate hike.

"We are unhappy with the judges' recommendation for the overall rate hike. Ameren does not need such a big rate hike to remain healthy," said Jim Chilsen, spokesman for the Illinois Citizens Utility Board, a consumer watchdog group.

In November, Ameren Illinois Utilities asked the Illinois Commerce Commission to authorize a \$247 million delivery rate increase. Ameren later lowered the amount requested to \$207 million; either way, the increases would mean higher bills for the company's residential electricity customers and most of its natural gas customers.

Consumer groups such as the Citizens Utility Board and AARP, as well as the Illinois Attorney General's Office, have objected to the proposed rate hike. Public meetings across the state and three days of testimony before the ICC in June were held to hear objections.

Since June, three ICC administrative law judges have been reviewing the delivery rate cases filed last year by AmerenIP, AmerenCIPS and AmerenCILCO.

On Tuesday, the judges filed a 360-page "proposed order," or recommendation. The Illinois Commerce Commission can make changes to it before voting on it by late September or early October.

It wasn't clear yet what impact the latest recommendation would have on Ameren customers if the commission adopts it without revisions.

"We are still reviewing the judge's recommendation," Ameren spokesman Leigh Morris said Wednesday. "We just got the administrative law judges' recommendation Tuesday and are still going through it, and until we can analyze it, we can't expand upon it further."

CUB spokesman Chilsen said his group's first analysis of the recommendation is that it contains good news and bad news. CUB estimates that AmerenCILCO actually will see its rates go down slightly, while AmerenIP and AmerenCIPS would see rate increases.

CUB estimates that the Ameren companies would get an overall delivery rate increase of nearly \$164 million, or about \$43 million less than Ameren asked for in its revised request.

Of the \$164 million, about \$142 million would come from AmerenIP customers, and \$31 million from AmerenCIPS customers. Chilsen said AmerenCILCO customers would see a decrease of about \$9 million.

The issue is not settled, Chilsen said. He said CUB still feels Ameren's revised request for \$207 million is too high.

"Briefs are being filed, and there are still arguments to make yet, and we will continue to fight to reduce them more," Chilsen said. "While we are happy for the decrease for AmerenCILCO customers, the IP and CIPS rate hike requests are unacceptable."

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