



Illinois Approves Ameren Rate Hike

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Illinois regulators approved an Ameren rate hike amounting to more than \$200 million dollars today.

By Casey Nolen

KSDK -- Ameren customers in Southern Illinois can expect to see higher gas and electric bills after the Illinois Commerce Commission approved a rate increase Wednesday.

The commission granted Ameren IP and CIPS an increase of more than \$160 million. Less than what the company wanted, and about \$100 million more than what a watchdog group thinks it deserves.

- **Photo Gallery: Ameren Rate Hike Meeting**

The commission's meetings are now open to the public and there was a large turn out of AARP members in Springfield, Illinois -- just one of the groups opposing this rate increase.

Individuals can expect to see about a ten percent increase in their monthly bill on average, for the cost of delivering the gas and electric. This does not apply to the actual cost of the gas and electric, which can fluctuate with supply and demand, which Ameren sells at cost to its customers.

The Citizens Utility Board, a utilities watchdog group, says the rate hike will hurt people already struggling to pay their bills.

"Everyday we get calls at CUB with consumers facing impossible choices between heating and eating, between paying their electric bill and paying for prescription drugs," says David Kolata, group director. "This is going to make a bad situation that much worse."

Leigh Morris, a spokesman for Ameren Illinois Utilities, disagrees.

"The only place that we can get a return on our investment is through the delivery service revenue," he says.

The delivery cost of gas and electric makes up about one-third of an average rate payer's bill, the company says. The

other two thirds of the bill, which covers the cost of the gas and electric, Ameren can not turn profit, since it is required by law to sell the energy at cost.

Ameren Illinois was asking for an increase of \$207 million to operate its system in a "safe, reliable, cost efficient manner," Morris says.

The Citizens Utility Board does plan to appeal this decision. But for now, the rate increases are set to take place starting October 1.

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