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Madigan blasts ICC for approving Ameren rate hikes

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By Chris Rizo (chrisrizo@legalnewsline.com)

SPRINGFIELD-Illinois Attorney General Lisa Madigan lashed out at state regulators for approving a \$162 million rate increase for most Ameren Corp. utility customers in the state.

On Wednesday, the Illinois Commerce Commission voted 5-0 to approve an increase in delivery fees for electricity and natural gas. The rate increases will take effect Oct. 1.

"This decision puts the interests of utilities ahead of consumers at a time when Illinois families can least afford it," Madigan said in a statement. "Unfortunately, this decision is yet another example of the Illinois Commerce Commission approving higher rates for utilities and giving consumers the short end of the stick."

Ameren, based in St. Louis, Mo., has said it needs to increase revenues to maintain and improve its power lines and pipes to deliver electricity and natural gas. The company had originally sought a \$247 million rate increase.

The company's three Illinois utilities -- IP, CIPS and CILCO -- serve 1.2 million electric customers and 825,000 natural gas customers.

Ameren IP customers will see the electricity usage fees rise between \$6 and \$18, while natural gas usage fees will increase between \$4 and \$9 per month, while Ameren CIPS ratepayers will see electricity costs rise by \$2 to \$5 per month, and natural gas fees rising between \$2 and \$6.

Meanwhile, Ameren CILCO customers will see their electric usage charge drop by 55-cents per month, while natural gas bills will decrease by up to \$9 during colder months and increase by about \$2 the rest of the year.

Madigan said her office will review the Commission's order and "consider the legal options available to fight for Illinois consumers."

The Citizens Utility Board, a watchdog group, vowed to appeal the commission's decision.

"Ameren overstated its expenses to justify an exorbitant rate hike it doesn't need or deserve, and that's why we plan to appeal," CUB Executive Director David Kolata said.

"Although we're glad that AmerenCILCO customers were spared an increase, we are disappointed that AmerenIP and AmerenCIPS customers are getting hit with an unfair rate hike. That's the last thing Ameren customers need as they face tough economic times, soaring energy prices, and an expensive Illinois winter," he added.



Madigan



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