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Nicor gets \$69 million rate hike

Typical gas bill will go up by \$2 to \$3 a month.

Tribune staff report

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State regulators Wednesday approved a \$69 million rate hike for customers of Nicor Inc.'s Nicor Gas unit, a spokeswoman for the Naperville gas-distribution utility confirmed.

The ICC estimates that a typical gas bill will go up by \$2 to \$3 a month. Though, some of the increased customers charges will be offset by a decrease in the per-therm distribution charge.

The Illinois Commerce Commission's clearance is only half of the \$140 million that Nicor -- which serves a large swatch of Northern Illinois outside of Chicago -- had been seeking.

But it is line with a proposed order issued by administrative law judges last month, recommending that Nicor receive an increase of \$68.8 million.



The rate increase involves only gas-distribution costs. As a regulated utility, Nicor passes directly through to customers the cost of the natural gas it buys for distribution.

The Citizens Utility Board said Wednesday that it will appeal the ICC decision, which the Chicago-based consumer watchdog estimates would increase the monthly Nicor customer charge to \$14 from \$8.85.

"Today's decision is another example of how the needs of consumers are being overshadowed by corporate interests," CUB Executive Director David Kolata said. "Illinois families are struggling to pay for necessities like food, rent, and medications, while Nicor's parent company made about \$120 million last year and will make even more because of this rate hike."

As is often the case with regulatory rulings on rate requests, Wednesday's action by the ICC appears to have disappointed both sides of the issue.

A Nicor spokeswoman, while cautioning that the company hadn't yet had a chance to fully review the commission's lengthy final order, noted that, "We kept our rate relief request to the minimum needed to maintain and safe and reliable natural gas service to our more than two million customers."

Nicor, she emphasized, currently has some of the lowest delivery rates in the nation, and that would have remained the case had the company received all, rather than half, of its requested relief.

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