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An 'ICC reform bill' with bite

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By David Kolata, Citizens Utility Board

Did you know that buried in Commonwealth Edison's \$273 million annual rate hike in September was \$10.5 million in company legal fees billed to customers? The same goes for Nicor Gas' recent \$69 million rate hike, which included \$1.6 million in fees.

That's right, the hard-earned cash that we sink into our gas and electric bills helps to bankroll the utilities' high-priced lawyers-- as they battle to raise those same gas and electric bills.

It's kind of like forcing David to pay for Goliath's steroid injections.

As the Citizens Utility Board fights to overturn those rate hikes, we're also pushing for a new state law that would bring much-needed reform to the Illinois Commerce Commission and severely limit the legal and witness fees that utility companies can force customers to pay in rate-hike cases.

House Bill 2, developed by Illinois Attorney General Lisa Madigan and supported by Reps. Bob Flider and Bill Black, among others, would have slashed those fees by nearly 90 percent in the ComEd case, according to an analysis by the attorney general's office.

It's only fair that if Illinois utility companies want to burn money on exorbitant multimillion-dollar legal maneuvers to get higher rates, they should make their shareholders pay for it - and not the customers they're trying to stick with those higher rates. Can't ComEd and Nicor, whose parent companies last year raked in \$2.7 billion and \$119.5 million, respectively, spare the customers that expense?

That's just one of HB 2's common-sense provisions. The "ICC Reform Bill" also would:

- Bar utility companies from forcing their customers to pay for CEO salaries in any amount beyond what the Illinois governor makes (less than \$200,000 a year).
- Ban secret, pre-filing meetings between ICC members and utilities lobbying for rate hikes.
- Strengthen the revolving-door law by forbidding commissioners from leaping to lucrative utility jobs for three years after they leave their posts.
- Outlaw a "use less, pay more" surcharge that actually penalizes utility customers when their usage goes down.

At a time when there's so much anger over corporate shenanigans that you can actually find an online game that lets you throw virtual tomatoes at AIG's bonus-heavy headquarters, people are hungry for proposals such as House Bill 2.

Beyond building better walls between utilities and the ICC, the bill would give a desperately needed shot in the arm to the government's watchdog role. With bailouts, bonus scandals and \$50 billion-dollar "ponzi" schemes, it's more important than ever to restore trust in the regulatory process.

Contact your state legislators and let them know you support HB 2, the "ICC Reform Bill." It's time we give the watchdogs a new set of teeth.

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