

Power play: Ameren rate increase plan sparks customers' ire

[By SANFORD J. SCHMIDT](#)

2009-10-05 22:23:45

COLLINSVILLE — A Belleville man became so fired up over proposed Ameren rate increases, he had to be escorted, shouting, Monday night from a hearing room of the Illinois Commerce Commission.

Others were calm and courteous, but none of those who spoke was in favor of a rate hike.

The shouter, Brad Vanhose, complained about the ICC, calling it a "rubber stamp." His face turned red as he pointed his finger and shouted about Ameren hiring lobbyists and making political contributions to politicians.

Vanhose was the most colorful of about a half-dozen people who objected to Ameren's request for \$181 million in electric rate increases and \$45 million in gas rate increases.

Another speaker actually praised Ameren for providing reliable gas and electric service, but she still objected to the rate increases.

She asked why Ameren can't tighten its belt in recessionary times, just as its customers do.

"I have to cut back my thermostat and wear seven layers of clothes," Jan Green of Alton said.

"If we're all expected to cut back and pay as you go, then I would expect Ameren to, also," Green said.

Ameren Director of Regulatory Affairs Jackie Voiles said the company is cutting back.

"We have tried to contain our costs. We have a voluntary separation process and have postponed vehicles purchases," Voiles said.

Some construction has been deferred, and hiring has been cut back, a company news release said.

Voiles said the company only contributes to part of the cost, because it does not generate electricity or produce natural gas. The company buys electricity and gas and must cover the increases in cost.

"We are a delivery company," she said, noting that maintenance and repairs needed as a result of natural disasters are a big factor in the company's costs.

Many of the people at the hearing wore bright yellow light bulb-shaped stickers distributed by the American Association of Retired Persons.

"No rate hike," the stickers read.

Amy Paschedag of Edwardsville, an AARP member, said the rates hikes were unfair,

especially to senior citizens and, especially, during a recession.

"Older adults pay nearly 20 percent of their income for utility bills," she said. "About 50 percent of the respondents in a recent AARP survey said now is not the time for a rate increase.

"Bad economic conditions are not a reason to increase rates," Paschedag said. "At a time when people are having trouble making ends meet, an increase is just plain wrong."

Others complained about the high salaries of Ameren executives and the company's campaign donations to state representatives and senators.

"What do they buy with that money?" one of the speakers asked, referring to the political contributions.

"Why is everything dumped on the poor and working class people?" asked Bob Engelke, a retired steelworker from Livingston.

He said the top executives of companies should have to bite the bullet.

"I drive a 1997 Pontiac with 246,000 miles on it, because I can't afford to buy a new car," he said.

Ameren spokesman Leigh Morris said the chief executive officer of Ameren makes 61 percent less than other utility company chief executive officers. He is 438th on the list of CEO salaries of the Fortune 500 companies, Morris said.

The company and its employees contribute to a political action committee, which supports lawmakers who are expected to vote in the best interests of the customers, just like any other company, Morris said.

He said he is encouraging people to visit the Web site, www.illinoisratefacts.com, to find out how much the proposed increase would cost to individuals. People can put in their cost for this year and get back a figure for the cost if the proposed hike were in effect.

"I don't know of any other company that does that," Morris said.

The main emphasis on the Web site is on reliability. The company is emphasizing the point that it needs the money to provide reliable service.

The rate increase is being opposed by the Citizens Utility Board. They have a competing Web site: www.stopameren.com. CUB is claiming Ameren is one of the least efficient utility companies in the nation.

The plan would affect AmerenCILCO, AmerenCIPS, AmerenCIPS-Metro East and AmerenIP customers. The proposal filed in June came less than a year after state regulators granted the company a \$162 million increase, which the Citizens Utility Board is appealing. The ICC must decide whether to grant the rate increase by May 1.

sanfordschmidt@yahoo.com