



CITIZENS UTILITY BOARD

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FOR IMMEDIATE RELEASE

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STATEMENT FROM CUB EXECUTIVE DIRECTOR DAVID KOLATA REGARDING ICC RULING ON PEOPLES GAS RATE HIKE

The Citizens Utility Board (CUB) will appeal today's decision by the Illinois Commerce Commission (ICC) to grant Peoples Gas a rate hike of \$71 million.

The evidence in the case showed that Peoples Gas didn't need such a big rate hike, including an astronomical increase in the customer charge. In addition, the ruling's "decoupling" provision punishes customers for conserving natural gas—making the impact potentially much greater than \$71 million. In fact, the company's own data shows that had this plan been in effect over the last five years Peoples would have collected more than \$200 million in higher rates from its customers.

Today's decision is a double whammy for consumers, who already face high heating bills. First, they get hit with a big rate hike. Then, if they try to save money through conservation, they will be penalized with higher usage charges. All parties in the case—CUB, the Attorney General's office, the City of Chicago, and even the ICC's own staff—concluded that this plan was unfair and illegal. But the ICC ignored those findings and sided with the company.

Also because of today's decision, consumers will pay a customer charge of between \$15 and \$16 a month—before they even use a therm of gas. CUB's experts showed that such an astronomical increase in the monthly charge, from \$9, was unnecessary and unfair. This rate hike hits hardest the consumers who can afford it least.

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