



Citizens Utility Board

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FOR IMMEDIATE RELEASE

March 25, 2009

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CUB TO APPEAL \$69 MILLION NICOR RATE HIKE, SAYS INCREASE IS BAD FOR ILLINOIS CONSUMERS AND BAD FOR ILLINOIS' ECONOMY

The Citizens Utility Board (CUB) said Wednesday that it will appeal an Illinois Commerce Commission (ICC) decision to give Nicor Gas a rate hike of about \$69 million, including a 60 percent increase in the monthly “customer charge.”

“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.”

Nicor originally sought a \$140 million increase in the “delivery” charges on bills—a flat monthly “customer charge” and a per-therm distribution charge that cover the costs of delivering gas to customer homes, plus a profit.

While CUB is still analyzing the impact of the ICC’s decision, it estimates that the customer charge will increase by about 60 percent, from \$8.85 to \$14. Some of that is offset by a decrease in the per-therm distribution charge, making the overall delivery impact about 14 percent to 27 percent.

Kolata said Nicor’s rate hike just adds to the heap of inescapable costs for consumers, and that’s bad for their bottom lines as well as the Illinois economy.

“It’s difficult, if not impossible, to stimulate a struggling economy if consumers are dumping more and more of their hard-earned cash into their natural gas bills,” Kolata said. “As lawmakers struggle to put more money back into consumers’ pockets, today’s decision just takes more out.”

CUB is Illinois’ leading nonprofit utility watchdog organization. Created by the Illinois Legislature, CUB opened its doors in 1984 to represent the interests of residential and small-business utility customers. Now celebrating its 25th anniversary, CUB has saved consumers more than \$10 billion by helping to block rate hikes and secure consumer refunds. In 2007, the St. Louis Post-Dispatch called CUB the “gold standard” of consumer groups nationwide. For more information, call CUB’s Consumer Hotline, at 1-800-669-5556, or go to www.CitizensUtilityBoard.org.

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