



Citizens Utility Board

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STATEMENT BY CUB EXECUTIVE DIRECTOR DAVID KOLATA ON COM ED RATE HIKE

“CUB plans to carefully review ComEd’s proposal and do everything we can to eliminate wasteful spending and reduce the rate hike as much as possible. ComEd has launched historic improvements to the power grid that have the potential to benefit all customers, but that doesn’t mean the company should get more money than it can justify. We will continue to hold Illinois’ biggest electric utility accountable and push it to stay true to its responsibility of building a more efficient and reliable power grid.”

Background:

*ComEd filed for a \$138 million rate hike on Wednesday, April 13. The increase would take effect on Jan. 1, 2017. Under the formula rate process, ComEd customers received a \$67 million rate decrease this past January, and rate hikes of about \$340 million and \$232 million in 2014 and 2015, respectively.

*ComEd estimates that the \$138 million hike would increase the average customer’s bill (660 kilowatt-hours a month) by about \$2 a month. The increase would affect delivery charges—what all customers pay to have the electricity delivered to their homes. Delivery charges take up about a third to a half of the bill. The rest of the bill is taken up by the cost of the electricity itself. (**Note:** Even customers who pay an alternative supplier still pay ComEd’s delivery charges.)

* Delivery rates are now set according to the state’s 2011 “Energy Infrastructure and Modernization Act,” or the “smart-grid bill.” That law uses a formula to determine ComEd rates annually for the next several years to pay for about \$2.6 billion in system upgrades.

*Illinois’ new way of setting electric rates limits how much consumer advocates and regulators can protect customers from rate increases, but each year CUB works to secure the lowest rates possible by reviewing ComEd’s spending, and protesting unjustified capital and operational expenditures. The consumer watchdog also is pushing the utility to live up to its promise to build a more affordable power grid that reduces inefficiency, improves reliability and gives customers the chance to save money by making their homes more efficient and taking part in money-saving electricity programs.

CUB is Illinois’ leading nonprofit utility watchdog. Created by the Illinois Legislature, CUB opened its doors in 1984 to represent the interests of residential and small-business utility customers. Since then, it has saved consumers more than \$20 billion by helping to block rate hikes and secure refunds. For more information, call CUB’s Consumer Hotline, 1-800-669-5556, or visit its award-winning website, www.CitizensUtilityBoard.org.

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