



CITIZENS UTILITY BOARD

Fighting for Illinois Consumers

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CONTACT: Jim Chilsen
(o) 312-263-4282, (c) 312-513-1784

CUB STATEMENT ON AMEREN ELECTRIC DELIVERY RATE DECREASE

CUB is always pleased to hear that delivery rates are going down. However, the best way to make bills more affordable in the future is to end Ameren's formula rates. That is why CUB is working for the Clean Energy Jobs Act (CEJA), comprehensive energy legislation proposed in Springfield. CEJA would increase consumer protections, hold all utilities accountable and replace Ameren's formula rate-setting process with a system that is more ethical, equitable and affordable for Illinois consumers.

—Jim Chilsen, Citizens Utility Board (CUB) director of communications

BACKGROUND

-On April 14, Ameren Illinois requested that the Illinois Commerce Commission (ICC) decrease the utility's electric delivery rates by \$45,256,000 (\$45.3 million). After some adjustments, the ICC approved a \$48,667,000 (\$48.7 million) decrease on Wednesday, Dec. 9. The lower delivery rates take effect on Jan. 1, 2021.

-The decrease affects delivery charges—what all customers pay to have the electricity delivered to their homes. Those 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.

-Ameren's delivery rates are set according to the state's 2011 "Energy Infrastructure and Modernization Act," or the "smart-grid bill." The law uses a formula to determine Ameren rates each year to pay for "smart-grid" system upgrades.

- CUB opposed the formula rate legislation. We argued the law contained too few consumer protections and opened the door to easy rate hikes. That is one reason the consumer group is working for the Clean Energy Jobs Act (CEJA), comprehensive energy legislation. CEJA would increase consumer protections, hold all utilities accountable and replace the formula rate-setting process with a system that is more ethical, equitable and affordable for Illinois consumers.

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 block rate hikes, secure refunds, and fight for clean, low-cost energy. For more information, call CUB's Consumer Hotline, **1-800-669-5556**, or visit its website, **www.CitizensUtilityBoard.org**.

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