



CITIZENS UTILITY BOARD

Fighting for Illinois Consumers

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CUB STATEMENT ON COM ED ELECTRIC DELIVERY RATE DECREASE

CUB always likes to hear that delivery rates are going down. We're also relieved that, at a time when ComEd is under investigation for a bribery scandal that unleashed excessive costs on consumers, regulators blocked the utility from charging customers for attorneys' fees and other expenses it has incurred as a result of those investigations. However, in light of the scandal there are larger issues looming: ComEd has yet to pay restitution for the harm its actions have caused customers, and the company should not stand in the way of reform legislation in Springfield. The best way to make bills more affordable in the future is to end the utility's formula rate regime. That is why CUB is working for the Clean Energy Jobs Act (CEJA), comprehensive energy legislation that would increase consumer protections, hold all utilities accountable and replace ComEd'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 Dec. 9, the Illinois Commerce Commission (ICC) voted in favor of a \$14 million decrease in ComEd's delivery rates. ComEd's originally proposed rate cut, announced on April 16, was \$11.5 million. However, during the course of the case, the company agreed to certain adjustments and the staff of the ICC recommended additional changes that left the decrease at about \$14 million. The new delivery rates take effect on Jan. 1, 2021.

-The staff of the ICC recommended about \$1.78 million in adjustments related to the company's ongoing scandal in which federal authorities accuse it of using bribery to push for favorable legislation. ComEd was fined \$200 million under a Deferred Prosecution Agreement (DPA) in the case.

-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.

-ComEd's delivery rates are set according to the state's 2011 "Energy Infrastructure and Modernization Act." That law uses a formula to determine ComEd rates annually to pay for about \$2.6 billion in system upgrades. ComEd is accused by federal authorities of using bribery to pass the formula rate legislation.

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. Since then, CUB has saved consumers more than \$20 billion by helping to block rate hikes and secure refunds over the years. For more information, call CUB's Consumer Hotline at 1-800-669-5556 or visit CUB's website, www.CitizensUtilityBoard.org.

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