



CITIZENS UTILITY BOARD

Fighting for Illinois Consumers

FOR IMMEDIATE RELEASE:

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CONTACT:

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CUB STATEMENT ON REFUND CONNECTED TO COM ED SCANDAL

AUGUST 17, 2022, CHICAGO – We are disappointed in today's Illinois Commerce Commission (ICC) ruling, and we plan to file a petition for rehearing. A \$36 million refund falls short of the refund recommended by CUB, the Illinois Attorney General's Office and the City of Chicago. Further, this case was limited to direct costs and only partially compensates customers for ComEd's misconduct—people deserve better in the wake of Illinois' most significant utility scandal ever. CUB continues to work on behalf of consumers for full restitution, as well as the most pro-consumer implementation of the Climate & Equitable Jobs Act (CEJA) to protect customers from unjustified rate increases.

Background:

- On August 17, the Illinois Commerce Commission (ICC) voted 3-0 to order ComEd to give its customers a \$31,296,338 refund in connection with the company's bribery scandal that erupted two years before. The refund, about a \$4.80 bill credit on average, will be delivered to customers on their April 2023 bills. [Another \$5,019,312, plus interest, will be added to the refund, upon Federal Energy Regulatory Commission (FERC) approval, making the total refund at least \$36.3 million.]
- In July 2020, ComEd was fined \$200 million by federal authorities, after admitting to a bribery scheme to pass legislation in 2011 that implemented a "formula rate" system. That rate-setting system left electric customers vulnerable to hundreds of millions of dollars in rate hikes over the last decade. (**Note:** In 2013, ComEd went back to the General Assembly to adjust the formula rate because the utility did not approve of how the ICC was interpreting the law. CUB opposed the 2013 bill for the same reasons it opposed the 2011 law.)
- In October of 2020, in a federal lawsuit, CUB alleged ComEd enriched itself "at the expense of Illinois utility customers." The consumer watchdog joined a similar state class action.
- In September 2021, a judge dismissed the federal class action lawsuit. In December 2021, a judge threw out the state lawsuit.
- The Climate & Equitable Jobs Act (CEJA), which passed in September of 2021, will replace the unfair formula rate system. CEJA also called for an ICC investigation into a refund. During this investigation, which the ICC ruled on Wednesday, CUB, the Illinois Attorney General's Office and the City of Chicago argued for a \$45 million refund for ComEd customers. The ICC probe was narrow in scope, only focusing on direct costs—not damage done to consumers by paying higher electric rates.

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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