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CUB Statement on \$83 Million Ameren Rate-Hike Request

Ameren Illinois customers have just suffered through one of the most expensive winter heating seasons in more than a decade, and now they face an \$83 million electric rate-hike request. This is bad news for consumers, and it's why we're working to ensure the consumer-friendly rate-setting system (created by the Climate & Equitable Jobs Act, or CEJA) works as intended. CUB will review Ameren's rate-hike request and fight every dollar the company can't justify.

The "formula rate" system has not been kind to consumers over the years, but the Climate & Equitable Jobs Act (CEJA) is replacing it with a rate-setting system that gives the Illinois Commerce Commission (ICC) more authority. Illinois must take advantage of the opportunity presented by CEJA to maximize benefits for electric customers across the state.

-David Kolata, executive director, Citizens Utility Board (CUB)

BACKGROUND

- On Thursday, April 14, Ameren announced it was requesting that the Illinois Commerce Commission (ICC) increase the utility's delivery rates by \$83,187,000.00. The ICC will rule on the case in December, and new rates would take effect on Jan. 1. 2023.
- The increase 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.
- This is the last time delivery rates will be set according to the state's 2011 "Energy Infrastructure and Modernization Act," or the "smart-grid bill." That law used a formula to determine Ameren rates annually to cover electric system upgrades.
- CUB did not support the smart-grid legislation, citing too few consumer protections. In 2021, the group helped pass the Climate & Equitable Jobs Act, or CEJA. The new Illinois law aims to replace formula rates with a system that gives the ICC more authority and puts more emphasis on customer priorities, such as affordability and reliability.

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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