



CITIZENS UTILITY BOARD

Fighting for Illinois Consumers

FOR IMMEDIATE RELEASE

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CUB URGES ILLINOIS AMERICAN CUSTOMERS TO ATTEND ICC FORUM ON RATE HIKE

The Citizens Utility Board (CUB) on Tuesday urged Illinois American Water customers to speak out against the utility's push for a \$142 million rate hike at a public forum organized by the Illinois Commerce Commission (ICC).

The forum is:

7-9 p.m., Tuesday, July 14

Bolingbrook Community Center, Room A

201 Canterbury Ln.

Bolingbrook, IL 60440

ICC representatives will be there to accept public comments submitted verbally or written. Those unable to attend the forum can submit comments via the [ICC webpage on the proposed rate hike \(Docket 26-0127\)](#) or by calling the ICC's Consumer Services Division, **1-800-524-0795**, Monday-Friday, 8:30 a.m. to 5:00 p.m.

"This rate increase would be a hardship for Illinois American customers, and it is essential that state regulators hear from real people who have endured serial rate hikes from this utility and are fed up," CUB Communications Director Jim Chilsen said. "CUB's legal team is challenging the Illinois American rate hike, and we invite water customers to join our campaign against this increase."

CUB outlined concerns about the increase proposed by Illinois American, which has been a frequent source of consumer complaints about escalating bills:

- In January, when Illinois American filed for its rate hike, the utility estimated that the increase would cost the typical residential water customer (using 3,500 gallons of water) about \$14 per month, depending on the service area. Typical wastewater customers would see an additional increase of approximately \$28 per month.
- This would be the fourth rate hike in a decade for Illinois American, the state's largest investor-owned water and wastewater utility. Illinois American has won \$230 million in rate hikes over the last decade—\$110 million in 2024, \$85 million in 2022 and \$35 million in 2016. The utility filed for the current increase in late January, a little over a year after their last hike took effect.
- In the latest case, CUB's expert testimony has uncovered \$54 million in overcharges in Illinois American's rate-hike request. Among the problems, CUB argued the utility is pushing for an excessive increase in its Return on Equity (ROE), or profit-rate for shareholders, from an already high 9.84 percent to 10.75 percent. CUB also argued that customers shouldn't have to cover \$4.7 million in bonuses the company would give to executives for reaching profit goals that only benefit shareholders. Adding to the unfairness, under Illinois American's rate-hike proposal, the utility would still get this money from consumers, even if it didn't reach those goals.
- For years, Illinois American customers have contacted CUB to complain about excessive water bills, connected to favorable legislation water companies have pushed in past years.
 - State law allows private water utilities to charge a "Qualifying Infrastructure Plant" fee on bills.

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- Illinois American and Aqua Illinois have followed an aggressive business model of buying up water and wastewater systems across Illinois, because state law allows them to charge their customers to cover 100 percent of the acquisition costs. [CUB estimates](#) that these for-profit companies have purchased 61 systems since 2013 and passed \$411.5 million in acquisition costs onto their customers.
- CUB is working for reforms in Springfield to better protect private water customers from high bills.
- The rate hikes and favorable state laws have been good for the water company. The utility's parent, American Water, has raked in more than \$1 billion in profits in each of the last two years, 2024 and 2025.
- While the utility once again pursues higher rates, its parent, American Water, wants to expand its power in Illinois by purchasing the parent of the state's other major private water utility, Aqua Illinois. In testimony filed in April, CUB urged the ICC to reject the proposed purchase of Aqua, arguing it wouldn't serve the public interest. American Water announced the deal to buy Aqua's parent, Essential Utilities, in October 2025. It is also seeking ICC approval to buy Prairie Path Water Co. If state regulators OK these transactions, more than 99.99 percent of regulated water and wastewater utility customers in Illinois will be served by affiliates of American Water. "This level of market consolidation raises obvious concerns," according to CUB's testimony.

The ICC is expected to issue a final ruling on the Essential Utilities deal no later than Nov. 5, and on the rate hike no later than Dec. 18.

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For more than 40 years the Citizens Utility Board (CUB) has been Illinois' leading nonprofit utility watchdog group. 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. For more information, call CUB's Consumer Hotline at 1-800-669-5556 or visit CUB's website, www.CitizensUtilityBoard.org.