



CITIZENS UTILITY BOARD

Fighting for Illinois Consumers

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STATEMENT BY CUB EXECUTIVE DIRECTOR DAVID KOLATA ON COM ED RATE HIKE

“A rate hike is never good news to consumers. CUB will conduct a detailed review of ComEd’s \$96 million rate-hike request, and we will challenge every penny the company can’t justify. While ComEd has made progress in building a better grid, and that should lead to more consumer benefits, the job isn’t completed yet. We will do everything we can to eliminate wasteful spending and reduce ComEd’s rate-hike request, and we will continue to push ComEd to live up to its promise of building a more efficient and reliable power grid.”

Background:

*ComEd filed for a \$96 million rate hike on Thursday, April 13. The increase would take effect on Jan. 1, 2018. ComEd estimates that the hike would increase the average customer’s bill by about \$1 a month. The increase would impact delivery charges—what all customers pay to have the electricity delivered to their homes. Delivery 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. (**Note:** Even customers who pay an alternative supplier still pay ComEd’s delivery charges.)

* Delivery rates are now set according to the state’s 2011 “Energy Infrastructure and Modernization Act,” or the “smart-grid bill.” That law uses a formula to determine ComEd rates annually to pay for about \$2.6 billion in system upgrades.

*Illinois’ new way of setting electric rates limits how much consumer advocates and regulators can protect customers from rate increases, but each year CUB works to secure the lowest rates possible by reviewing ComEd’s spending, and protesting unjustified capital and operational expenditures. The consumer watchdog also is pushing the utility to live up to its promise to build a more affordable power grid that reduces inefficiency, improves reliability and gives customers the chance to save money by making their homes more efficient and taking part in money-saving electricity programs.

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 to block rate hikes and secure refunds. For more information, call CUB’s Consumer Hotline, 1-800-669-5556, or visit its award-winning website, www.CitizensUtilityBoard.org.

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