

CITIZENS UTILITY BOARD Fighting for Illinois Consumers

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STATEMENT BY CUB EXECUTIVE DIRECTOR DAVID KOLATA ON COMED RATE CUT

"ComEd today asked the Illinois Commerce Commission (ICC) to decrease its delivery rates by \$23 million on Jan. 1, 2019. That represents a rate cut of about 50 cents per month. CUB is always happy to hear that electric rates are going down by any amount, but we will review ComEd's proposal and, if necessary, fight for a larger decrease in delivery rates. We hope this rate cut signals that Illinois' biggest electric utility has made progress improving the electricity system, but there's more work to do to maximize the consumer benefits of grid modernization. We will continue to challenge ComEd to live up to its promise of building a smarter, more efficient power grid."

Background:

*On April 16, Commonwealth Edison, Illinois' largest electric utility, filed a \$23 million rate decrease with the Illinois Commerce Commission (ICC). The proposed decrease would cut delivery rates by about 50 cents per month beginning January 1, 2019. The ICC is set to rule on the proposal in December.

* The decrease is connected to lower projected costs as installation of ComEd's new digital meters is set to be completed in the fall of this year, as well as a reduction in the federal corporate tax rate that customers began to see on their bills this year.

*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," 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 reduce rates, 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 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 \$10 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 award-winning website, www.CitizensUtilityBoard.org.

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