

For Immediate Release February 12, 2008 Media Contact: Robyn Ziegler 312-814-3118 <u>rziegler@atg.state.il.us</u>

ATTORNEY GENERAL MADIGAN OPPOSES COM ED RATE HIKE

Recommends Slashing Rate Hike Request by 90 percent

Chicago – Attorney General Lisa Madigan today submitted expert testimony with the Illinois Commerce Commission (ICC) showing that Commonwealth Edison's (ComEd) recent request for a \$361.3 million rate hike should be cut by 90 percent and its proposals for additional surcharges should be rejected.

"ComEd's proposal is unfairly inflated, especially in view of the fact that the company just raised customers' rates," Madigan stated. "ComEd customers deserve to have this plan thoroughly investigated so they don't have to pay a penny more than they should."

The proposal, if granted, would increase the average customer's bill by about \$6.00 per month. The total increase for each customer depends on how much power the company delivers and is separate from the charge for electric power itself.

In addition to the rate hike, ComEd's proposal seeks to add a surcharge to customer bills to cover the costs of advanced technology that the company says it wants to implement but is not needed to provide standard electric service. ComEd also seeks a second requested surcharge to recover expenses of stormrelated power outages. The Attorney General argues that such surcharges are illegal.

"Utility companies are trying to make customers' bills a vehicle for more and more surcharges, but Illinois law does not allow the companies to collect rates in this way," Madigan said.

Last week the ICC approved a surcharge that would collect extra funds from Peoples Gas and North Shore Gas customers for gas delivery service they don't use as customers reduce their gas consumption due to warmer weather or attempts to conserve energy. The Attorney General's office argued that such surcharges were unlawful, as did the ICC's own lawyers. But the ICC voted to approve the proposal. Madigan's office is reviewing that decision and may ask the appellate courts to reverse the Commission's approval of the surcharge.

"We are fighting to protect ComEd customers from unlawful utility charges in the same way that we are acting on behalf of Peoples and North Shore customers," Madigan added. The surcharge issue has become a heated topic for state legislators, especially downstate, where Ameren customers are still recovering from electric rate hikes last year that tripled rates for some Office of the Illinois Attorney General - ATTORNEY GENERAL MADIGAN OPPOSES COM ED RATE HIKE

customers. Ameren's electric and gas subsidiaries both proposed surcharges as part of a November filing now pending before the Commission.

ComEd's plan, its second request to increase rates in two years, was filed last October and seeks ICC approval to increase the rates it charges customers to deliver electric power. The company's last rate increase went into effect just a little over a year ago, when it obtained an \$82.6 million increase instead of the \$365 million it had requested.

The Citizens Utility Board joined with Attorney General Madigan in filing the expert reports. Hearings in the case are scheduled to begin in late April.

Assistant Attorneys General Janice Dale, Karen Lusson, Kristin Munsch and Elias Mossos are handling the case for the Attorney General's Office.

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