

Press Releases

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ATTORNEY GENERAL MADIGAN, LEGISLATORS CELEBRATE PASSAGE OF ENERGY INITIATIVE

Legislation Negotiated by Attorney General Strengthens ICC Ethics Rules to Protect Consumers, Promotes Energy Efficiency, and Helps Low-Income Families with Utility Bills

Springfield — Attorney General Lisa Madigan today thanked members of the General Assembly, following the passage of a three-pronged energy package designed to protect the interests of consumers by strengthening ethics rules at the Illinois Commerce Commission (ICC), promoting energy efficiency, and helping low-income families with utility bills. Senate Bill 1918, negotiated by the Attorney General and sponsored by State Sen. Kimberly Lightford (D-Chicago) and State Rep. Robert Flider (D- Decatur) passed late Sunday.

Among its significant ethics reform provisions, the legislation prohibits private meetings between utilities and the ICC Commissioners who decide whether to raise utility rates. The bill also puts in place stronger rules to close the revolving door between the ICC and the utilities that it regulates.

"This legislation will bring important, pro-consumer changes to the way we approach energy issues in Illinois," said Madigan. "The ICC sets the prices that Illinois consumers must pay for energy. By putting strong, new ethics provisions in place to govern the ICC's conduct, we are working to level the playing field for consumers. We want to make sure that the ICC hears the voices of consumers when they are deciding how much utilities can charge."

"These ICC reforms are long overdue," said Rep. Flider. "The process for setting utility rates must be open and fair to consumers. In the past, there have not been adequate safeguards to ensure that is the case."

Attorney General Madigan, along with Illinois consumer and environmental groups, low income advocates, business organizations, and utility companies, developed S.B. 1918 through negotiations that covered multiple proposals to address ICC ethics reform, energy efficiency and low-income energy assistance. The legislation combines separate bills originally proposed by Sen. Lightford and Rep. Flider, as well as provisions from bills proposed by Rep. Marlow Colvin (D-Chicago), Rep. Harry Osterman (D-Chicago), and Rep. Bill Black (R-Danville).

The organizations actively engaged in the process included Citizens Utility Board (CUB), American Association of Retired Persons (AARP), Illinois Association of Community Action Agencies, Community Economic Development Association (CEDA), Low Income Utility Advocacy Project, South Austin Coalition Community Council, Environment Illinois, Natural Resources Defense Council, Environmental Law and Policy Center, Midwest Energy Efficiency Alliance, Illinois Energy Association, Illinois Competitive Energy Association, Commonwealth Edison, Ameren Illinois Utilities, MidAmerican Energy, Nicor Gas, and Peoples Gas and North Shore Gas.

"There was strong bi-partisan support for this energy package, which includes a critical financial assistance program for low-income utility customers and groundbreaking energy efficiency measures," said Madigan. "The legislation addresses issues of concern to senators and representatives from both sides of the aisle and from consumers in all parts of Illinois."

The provision to help low-income households requires electric and natural gas utilities to offer a new program to help eligible customers better manage their utility bills. The Percentage of Income Payment Plan (PIPP) program will limit participants' payments for electric and gas utility service to no more than six percent of their income. Participants also will have access to federally-funded weatherization services.

"The PIPP program will help maintain affordable year-round utility service, by offering low-cost, level payment plans to low income customers," said Sen. Lightford. "This program will eliminate the cycle of disconnection and reconnection now faced by customers that rely on energy assistance payments."

S.B. 1918 also promotes energy efficiency. The bill requires electric and gas utilities to offer a program that will make it easier for consumers to invest in measures to save energy, such as high-efficiency furnaces and central air conditioning. This program, which is known as on-bill financing, will allow customers to pay for energy efficiency measures by applying the savings on their utility bill to the cost of their initial investment.

The bill also requires natural gas utilities to offer energy efficiency programs similar to those mandated for electric utilities in 2007 legislation.

"Illinois consumers understand the value of making energy efficient investments in their homes, but the upfront costs of doing so often put these investments out of reach," said Madigan, "This bill will make it easier for many families by allowing the investments to pay for themselves through the utility bill savings they create.

S.B. 1918, which now goes to the Governor for his signature, also is supported by Illinois Environmental Council, Illinois Sierra Club, Center for Neighborhood Technology, CNT Energy, Citizen Action/Illinois, East Central Illinois Community Action Agency, Will County Center for Community Concerns, Voices for Illinois Children, Heartland Alliance for Human Needs and Human Rights, Sargent Shriver National Center on Poverty Law, Affordable Budget Coalition, Central Illinois Organizing Project, Protestants for the Common Good, Labor Coalition for Public Utilities, United Electrical Workers (UE-11), Chicago Jobs with Justice, Exelon Energy, Illinois-American Water, and Mt. Carmel Public Utility Company.

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