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ATTORNEY GENERAL MADIGAN: LANDMARK RULING IN COMMONWEALTH EDISON CASE GOOD NEWS FOR CONSUMERS***Decision mitigates future rate hikes; ComEd must pass on savings to customers***

Chicago — Attorney General Lisa Madigan today announced her office has won a court appeal that could reduce future Commonwealth Edison customer utility bills by more than \$100 million. The Second District Appellate Court ruled the Illinois Commerce Commission (ICC) improperly allowed ComEd to recover inflated property costs and extra infrastructure charges — both of which improperly increased consumer bills.

“At a time when people are struggling financially, this is an excellent decision for consumers. This decision sets a precedent for all other utilities who’ve passed on their high operating costs, but not their savings, to consumers,” Madigan said. “The court’s ruling ensures consumers throughout our state are paying for the true cost of electricity service — not just paying for the increases in the cost of doing business but also sharing in the savings.”

The court’s decision will likely bring a halt to the utility’s practice of adding fees to consumers’ bills to cover costs, such as capital projects and improvements, which are solely in the utility’s control. It comes as utilities across the state have asked the ICC to approve these increased fees over and above their typical rates that reflect costs of electricity and delivery. This ruling not only impacts how the oversight body, the ICC, sets rates for ComEd but for utilities across the state.

The ruling stems from ComEd’s request for a rate increase of \$360 million in 2008. Madigan fought the request, but the ICC eventually granted ComEd a \$275 million increase. The Attorney General’s Office then appealed to the Second District on the issues of surcharges and ComEd’s recouping operational costs that did not account for depreciation in value of its property over the years.

Today’s ruling reflects a continuing push by Madigan to protect consumers from increased utility rates and hold utility companies accountable for rate hikes and fees.

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