



September 18, 2014

MADIGAN: COMED SETTLEMENT TO PROVIDE \$46 MILLION IN CUSTOMER REFUNDS

Chicago — Attorney General Lisa Madigan today announced a settlement with Commonwealth Edison to provide \$46.2 million in refunds for customers.

The Illinois Commerce Commission (ICC) approved the settlement earlier today to resolve two lawsuits brought by Madigan in 2008 and 2010 challenging its rates. The Citizens Utility Board, which was a party in the lawsuits, joined the settlement forged by Madigan with ComEd. The agreement will result in refunds to ComEd customers in the form of credits to their accounts that they will see on their November electric bills.

“Illinois residents deserve fair, affordable electricity rates, and I remain committed to fighting on their behalf,” Madigan said. “In these cases, it is clear based on the numerous court rulings that ComEd customers are entitled to refunds.”

Customer refund amounts will be based in part on electricity usage in the month of October 2014 and on an individual account basis. Though the amount will vary, refunds will average \$8 per residential customer account. Former ComEd customers who received service between October 2010 and December 2012 will also be eligible to receive refunds after demonstrating that they were customers during that time period.

The first of Madigan’s lawsuits involved in today’s settlement arose from a 2008 ComEd rate increase, which included surcharges on customer bills to pay for “smart grid” infrastructure improvements. Madigan challenged the utility’s request, alleging that the surcharge violated the Illinois Public Utilities Act. Her argument was upheld in two appellate court decisions in 2010 and 2012.

The settlement also resolves a second lawsuit involving Madigan’s challenge to the method the ICC used to approve increased rates to cover ComEd’s capital investments. Madigan and a group of industrial customers known as the Illinois Industrial Energy Consumers argued in the 2008 lawsuit that the ICC inflated the value of ComEd’s investments, which erroneously resulted in higher rates for customers. The 2010 appellate court decision agreeing with Madigan’s position prompted an ICC ruling for \$36.7 million in refunds to customers. However, ComEd challenged the ICC’s authority to order the refunds. In 2013, an appellate court once again upheld Madigan’s and the industrial customers’ argument that ComEd owed refunds to consumers.

The lawsuits and subsequent settlement were handled by Madigan’s Public Utilities Bureau, which intervenes in legal proceedings involving electric, natural gas, water and telecommunications services to protect and promote consumer interests. Since Attorney General Madigan took office in 2003, her office has secured over \$2 billion in savings for Illinois ratepayers.

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