

State senators: Bring bills to Capitol

By LAURA CAMPER

STATE CAPITOL BUREAU

Three downstate senators are calling on electricity consumers who object to recent rate hikes to share their pain with the governor.

State Sens. Dale Risinger, R-Peoria, Bill Brady, R-Bloomington, and John Jones, R-MountVernon, are asking customers to bring copies of their electric bills, with personal information concealed, to the state Capitol at 11 a.m. on Wednesday so they can be delivered to Gov. Rod Blagojevich.

The governor will be in Springfield for his annual state of the state and budget address.

“Right now, the persons most severely affected by the higher utility rates are downstate residents, so this issue is probably not on the governor’s radar screen,” said Risinger in a press release.

The senators say they want to remind Blagojevich that people all over the state are being affected by the increases in electric rates that went into effect in January for Ameren and Commonwealth Edison customers.

“It seems that until Chicago feels the pain, nothing will happen,” Brady said. “The time for action is now.”

“It is up to the residents of central and southern Illinois to remind (Blagojevich) that he represents us all and it is time for him to show some leadership on this issue,” Risinger said. “Consumers are suffering and need some relief.”

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ICC probes Ameren's method of charging
Commission's options limited on easing effects of high bills

BY MIKE RAMSEY
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CHICAGO - The Illinois Commerce Commission on Friday began a study into the way Ameren charges different customers for power in hopes of giving residents with electric heating systems some relief from soaring utility bills.

But ICC chairman Charles Box warned that regulators do not have the authority to make Ameren absorb any of the cost. He said any "revenue-neutral" proposal that comes from a series of ICC hearings may simply shift a share of the burden to different classes of customers, such as businesses and industry.

"Right now, we're dealing with the authority that we know we have," Box said during a 30-minute special meeting held in Chicago. "I want to make sure that the expectations of people aren't lifted and raised to a level that ... people are disappointed in the end."

The ICC's 4-0 vote to investigate the rate design structures of Ameren and Chicago-area utility ComEd comes as lawmakers are debating whether to again impose a 10-year rate freeze that expired in January. Earlier this week, the Illinois House held a marathon hearing to air the issue in response to consumer complaints about the new, higher rates.

Particularly surprised were all-electric customers, who heat their homes with electricity, rather than with gas or other fuel. ICC members Erin O'Connell-Diaz and Bob Lieberman complained that Ameren did not give enough warnings of the size of the hike that would hit those customers, estimated to number 120,000.

Last year, Ameren officials said typical residential customers would see increases as high as 55 percent annually when the new rates took effect in 2007. ICC staff members reported Friday that all-electric customers in central and southern Illinois experienced hikes ranging from 88 percent to 170 percent in January.

"Not communicating directly with these customers ... was, I believe, an enormous tactical, ethical and political blunder," Lieberman said. "I don't know what they were thinking."

Ameren spokesman Leigh Morris said the company looks forward to working with the ICC. He noted that Ameren Illinois Utilities president and CEO Scott Cisel earlier this week proposed a relief plan. It includes one-time credits valued at \$20 million for heavy residential users and the potential to change the way rates are calculated for them in the winter.

The plan would "provide meaningful and realistic relief for customers while at the same time assuring the financial integrity of the Ameren Illinois utilities," Morris said.

Rep. George Scully, a Flossmoor Democrat who ran this week's House session, expressed disappointment that the ICC's investigation may simply

result in shifting rate costs among Ameren and ComEd customers.

"I'm not interested in that," he said. "I'm interested in true long-term savings."

Lawmakers froze electric rates in 1997, and power companies sold or spun off their generating plants, with the idea that a competitive market would emerge. Utility companies bid for power supplies last year in an auction monitored by the ICC, but critics said an ideal market does not exist because most consumers cannot shop around for electricity.

Commissioner Lula Ford voted "yes" for the investigations into Ameren and ComEd, but said the higher electric rates should have come as no surprise to anyone.

"Prices of all commodities have gone up in the last 10 years," she said.

Box said the investigations, even though they are expedited, may take a few months.

The rate increases have been less dramatic for ComEd customers.
