



# City of Chicago



R2015-7

Office of the City Clerk

## Document Tracking Sheet

<b>Meeting Date:</b>	1/21/2015
<b>Sponsor(s):</b>	Tunney (44)
<b>Type:</b>	Resolution
<b>Title:</b>	Illinois Commerce Commission urged to reject proposed increase in heating bills for Chicago customers
<b>Committee(s) Assignment:</b>	Committee on Finance

**RESOLUTION**

**WHEREAS**, Integrys Energy Group Inc., the parent company of Peoples Gas and North Shore Gas, has proposed to increase fees on Chicago customers' heating bills; and

**WHEREAS**, the proposal would increase the fixed amount Chicago consumers would be charged from \$27.00 a month to \$38.50 a month while decreasing variable costs; and

**WHEREAS**, should the Illinois Commerce Commission approve the proposed rate hike, the natural gas bills of nearly 1 million customers in the Chicago area would rise by about \$5 a month to an average of \$98 a month; and

**WHEREAS**, Peoples Gas currently charges its customers the second highest fixed amount of any utility in the Midwest; and

**WHEREAS**, the fixed monthly fee has already risen 199 percent since 2007; and

**WHEREAS**, the Citizens Utility Board has criticized the proposed rate hike and the Illinois Attorney General and the Environmental Law and Policy Center have intervened in the rate case to oppose the higher fixed charges; and

**WHEREAS**, the proposed change violates the principle that utility rates should be designed to encourage energy efficiency; and

**WHEREAS**, increasing the fixed monthly fee would disproportionately harm residents of smaller homes who presumably use less gas; and

**WHEREAS**, in June 2014, Integrys announced a \$5.8 billion deal to sell its utility operations to Milwaukee-based Wisconsin Energy Corp.; and

**WHEREAS**, the proposed merger is currently seeking approval from the Illinois Commerce Commission and other regulatory bodies; and

**WHEREAS**, the City of Chicago and the Citizens Utility Board have opposed the proposed deal unless Wisconsin Energy makes several concessions that will benefit Chicago ratepayers and residents; now therefore

**BE IT RESOLVED**, that the City Council of the City of Chicago does hereby urge the Illinois Commerce Commission to reject the proposed increase in fixed charges; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Chicago does hereby urge the Corporation Counsel to prepare all necessary pleadings to be filed

with the Illinois Commerce Commission to protect the interests of Chicago customers in consideration of the aforementioned proposed rate hike.

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*John J. ... 44*