



Office of the City Clerk

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Legislation Details (With Text)

File #: R2015-7
Type: Resolution
File created: 1/21/2015
Status: Failed to Pass
In control: City Council
Final action: 5/20/2015
Title: Illinois Commerce Commission urged to reject proposed increase in heating bills for Chicago customers
Sponsors: Tunney, Thomas
Indexes: Public Utilities
Attachments: 1. R2015-7.pdf

Date	Ver.	Action By	Action	Result
5/20/2015	1	City Council	Failed to Pass	Fail
1/21/2015	1	City Council	Referred	

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

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