

Volume 258 October 31, 2011

Com Ed Rate Case

The reactions to the approval of Commonwealth Edison's plan to modernize its grid came swiftly, after the Illinois legislature overrode Gov. Pat Quinn's six-week-old veto.

The \$2.6 billion, 10-year investment is calculated to cost ComEd customers \$3 per month increase on their electric bills and, according to a Black & Veatch study, will return \$2.8 billion in benefits.

Based on the financial accounting concept known as "net present value," full deployment of AML across ComEd's service territory would pay for itself through operational efficiencies (basically, reduced operations and maintenance costs), Marquez told me last month. That includes virtual elimination of manual meter reading, more accurate bills and fewer service visits and calls to ComEd's customer call center. Improved electricity theft detection, quicker sign-up of new customers that minimize energy losses and enhanced disconnection and reconnection of electric service that minimize collection costs represent some of the O&M savings.

ComEd, naturally, found much to celebrate in the legislative victory.

"The General Assembly today enacted the Energy Infrastructure Modernization Act, setting in motion a \$2.6 billion investment by ComEd to strengthen and modernize the state's electric grid," the utility announced in a press release. "The groundbreaking legislation will create thousands of jobs, improve system reliability, provide new ways for consumers to save on their energy bills and establish the most progressive, accountability-based regulatory model in the country."

The governor, naturally, was not celebrating.

"The consumers of Illinois are deeply disappointed in the General Assembly's action today to give Commonwealth Edison and Ameren guaranteed rate increases for each of the next 10 years ... and so am I," Quinn said. "The fight for consumers against unfair utility practices will go on and will never end as long as I am governor. I am grateful for the fierce determination of our consumer allies in this fight."

The bill that the Illinois legislature passed Wednesday, October 26, 2011 had been amended the day before to lower the utility's return on equity, increased penalties if promised jobs don't materialize and required Ameren to withdraw a current rate hike proposal—answering at least some objections raised over the bill vetoed last month by the governor.

The AFL-CIO and International Brotherhood of Electrical Workers supported the bill.

Among those opposing the bill were Gov. Quinn, Attorney General Lisa Madigan, AARP and the Citizens Utility Board.

Electricity Pricing Areas – Oct 31, 2011

LMP Zone	Per kWh
Com Ed	\$.02892
PJM	\$.07626

ComEd Average Day Ahead LMP Electric Price

Time Period	Average per Kwh
Oct 1 - Oct 31, 2010	\$.02702
Nov 1 - Nov 30	\$.02778
Dec 1 - Dec 31	\$.03545
Jan 1 - Jan 31, 2011	\$.03871
Feb 1 - Feb 28	\$.03581
March 1- Mar 31	\$.03668
April 1 - April 30	\$.03448
May 1- May 31	\$.03954
June 1 - June 30	\$.03851
July 1 thru July 31	\$.05170
Aug 1 - Aug 31	\$.04064
Sep 1 - Sep 30	\$.03058
Oct 1 thru Oct30	\$.02948

Weather Mon: Partly cloudy. High 53F. Winds W at 10 to 15 mph. **Tonight Clear.** Low near 40F. Winds SSW at 5 to 10 mph.
Tue: Plentiful sunshine. High 63F. Winds S at 10 to 20 mph. **Tomorrow night:** A few clouds from time to time. Low 49F. Winds S at 10 to 20 mph. **Wed:** Mix of sun and clouds. Highs in the mid 60s and lows in the upper 40s. **Thu:** Chance of showers. Highs in the low 50s and lows in the upper 40s. **Fri:** Times of sun and clouds. Highs in the mid 50s and lows in the upper 40s.

