

Volume 329 March 26, 2013

A ComEd-backed bill that bulks up the revenue the utility will receive as it modernizes the electrical grid has passed the Illinois House and now heads to the governor. The bill's swift passage by an 86-to-28-vote was crucial for ComEd, which expects to see a veto by Gov. Pat Quinn. A spokeswoman for Quinn said the governor opposes the bill. He has 60 days to act on the bill once the House officially ships it to him.

The legislation's passage Thursday gives bill sponsors more time to attempt a veto override before the end of the spring session. Friday is the last day before a two-week break in Springfield. Later action would have allowed Quinn to hold the bill beyond the end of the session, pushing out ComEd's efforts until a veto session later this year. It also would have allowed the bill's opponents more time to lobby those legislators against the override.

ComEd says the average residential customer bill of \$82 per month would increase by about 40 cents in 2014 and about 80 cents in 2017 if the bill becomes law.

In exchange for \$2.6 billion in consumer rate hikes over 10 years, ComEd had pledged to digitize the electrical grid. The utility said that operational changes would ultimately save money and that in-home devices would give consumers more control over their electricity usage. New smart meters were to be installed throughout ComEd's service territory of roughly 3.8 million customers. About 130,000 have been installed as a pilot project.

But when it came time for 2011 law to be implemented, ComEd and the Illinois Commerce Commission disagreed over the law. ComEd filed a court appeal over 12 technical matters that mean about \$100 million a year to ComEd. The dispute continues in court.

The legislation would address three of those issues: whether to treat pensions as an asset or a liability; whether returns should be based on equipment in the ground at year-end or the average amount of equipment in the ground throughout the year; and the interest rate to be used for bringing into line the utility's actual versus hypothetical costs.

ComEd also would be required to begin installing in-home "smart" meters this year, rather than in 2015. The utility had delayed its deployment schedule when the ICC cut the funding it expected to receive, saying that made that schedule impractical. Nine other matters amounting to \$35 million per year to ComEd would still need to be settled. ComEd has said it doesn't intend to drop its suit if the legislation passes. Under the legislation ComEd also would not be held accountable for failing to meet its obligations under the 2011 law for any time prior to the bill's enactment or for falling short of its investment schedule for a year after the bill's passage.

Electricity Pricing – Mar 26, 2012

Com Ed	On-Peak	Off-Peak
2013	\$0.04192	\$0.02689
2014	\$0.04180	\$0.02845
2015	\$0.04364	\$0.02969

PECO	On-Peak	Off-Peak
2013	\$0.05154	\$0.03400
2014	\$0.05113	\$0.03490
2015	\$0.05298	\$0.03627

LMP Electric Price

Time Period	Average per Kwh
Mar, 2012	\$0.02894
April, 2012	\$0.02659
May, 2012	\$0.02816
June, 2012	\$0.03089
July, 2012	\$0.04303
Aug, 2012	\$0.03112
Sep, 2012	\$0.03034
Oct, 2012	\$0.02829
Nov, 2012	\$0.03327
Dec, 2012	\$0.03081
Jan, 2013	\$0.03111
Feb, 2013	\$0.03219
Mar 1–Mar 25, 2013	\$0.03681

Extended Temperature Forecast:

Chicago Area

	Tue	Wed	Thu	Fri	Sat
High	41	45	46	49	54
Low	28	29	30	33	43

