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CAMPAIGN TO END ENERGY POVERTY CELEBRATES A WIN FOR ENERGY AFFORDABILITY IN ILLINOIS

CHICAGO — Core partners of the Campaign to End Energy Poverty stand together to applaud the historic November 15th decision by the Illinois Commerce Commission (ICC) to create much-needed, robust discount rates for the state's financially struggling gas utility customers, and hold gas companies accountable by reigning in their proposed gas rate hikes and spending. For low and moderate income households, prices for the life-essential service of home heat have long outpaced wage increases, exceeding the state affordability standard of 3% maximum of household income, the same standard for household electricity.

The discount rates advanced by the ICC were key components of the **People's Utility Rate Relief Act [PURR]** introduced by the campaign coalition in the 2023 Illinois General Assembly, the only bill focused exclusively on energy affordability. The bill featured a comprehensive suite of revenue-neutral provisions designed to reduce light and heat costs, service disconnections, and other harms disproportionately impacting low and moderate income customers.

The final ICC orders responded to \$794 million in proposed gas rate hikes by Nicor Gas, Peoples Gas, Ameren Illinois and North Shore Gas and include ground-breaking changes to business-as-usual practices by gas utilities, including:

- Adoption of the five-tiered, low-income discount rate proposals
- Decreased fixed, monthly customer charges
- An end to accelerated pipe replacements
- Significant disallowances for unjustified gas infrastructure investments
- Requirement of gas utilities to file bi-annual long-term infrastructure plans, and
- A statewide Future of Gas investigation

"Discount rates for utility customers are an urgent, common sense, proactive measure with unparalleled power to reduce energy insecurity that's burdening millions of Illinois ratepayers – producing utility bill arrearages of over \$40 million every month; causing disconnections for



homes with seniors, children, and the infirmed; and triggering credit dings that routinely lower customer ability to secure certain apartments, jobs, and benefits. Not a single utility program or government-funded payment support, nor all of them combined, have the power to prevent this vulnerability month-over-month like the new ICC discount rates. We're grateful for the wisdom that applies the discount to the whole bill, across all ratepayer classes, with greatest discounts tiered to those with lowest incomes," said Naomi Davis, founder and CEO of Blacks in Green and its lobbying affiliate Green Power Alliance.

"This is a historic moment. After years of passing requested rate hikes from the utility companies without much hesitation, the ICC made a statement last week by reducing the rate hike requests and adopting crucial protections for low-income residents," **said Alexis Vaughan, Director of Justice Organizing and the Campaign to End Energy Poverty at Blacks in Green.** "There is still plenty of work that needs to be done, but the decision today made it clear that Illinois is moving toward a future of affordable clean energy, and we hope that legislators will follow the ICC's lead and further protect vulnerable households from disconnection through passage of the PURR Act."

"Each month, families across Illinois open unaffordable utility bills that force us to make difficult decisions to avoid disconnection," **said Donna Carpenter, Co-Chair of COFI's Stepping Out of Poverty Campaign and Co-President of COFI's POWER-PAC Illinois.** "We thank the commissioners at the ICC for truly listening to us, the financially struggling utility customers, and for acknowledging that continuous rate increases are simply unaffordable for so many of us across the state. This is an amazing step in the right direction!"

"The Commission's ground-breaking decision to adopt the recommended discount rates will help ensure Illinois' financially struggling customers will be able to afford monthly heating bills during our long, cold winters," **said National Consumer Law Center Senior Attorney Karen Lusson, who represented COFI in the Peoples Gas/North Shore Gas and Nicor cases.** "At a time when utility customers across the nation struggle daily to afford energy bills and other essentials, the Illinois Commission's decision to specifically assess the affordability of gas utility bills creates a model for commissions across the country."

"The Illinois Commerce Commission handed consumers an important victory today by agreeing to keep Illinois gas utilities' unfair fixed charges in check, while simultaneously ordering the companies to implement a low-income discount rate that will set a national standard for equity and fairness. While much work remains to be done to keep down energy costs, Legal Action Chicago is proud to have helped lead this winning effort to put people over profits," **said Dan Schneider, senior attorney at Legal Action Chicago**.

"It has never been more important to ensure that every customer has access to affordable energy that does not worsen climate change. These historic decisions cement Illinois' leadership on clean energy and equity. Every dollar makes a difference to families struggling to



pay their bills, and every dollar invested in clean energy instead of capital-intensive fossil fuel infrastructure gets us closer to a healthy future for all," **said Christie Hicks, Senior Director for Equitable Regulatory Solutions, Environmental Defense Fund**.

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About Blacks in Green & Green Power Alliance

Blacks in Green - BIG[™] is a national network for environmental justice and economic development created to close America's racial health/wealth gap via the new green economy using a whole-system solution for the whole-system problem common to Black communities everywhere. Their Sustainable Square Mile System[™] implements their 8 Principles of Green-Village-Building[™] to cultivate walk-to-work, walk-to-shop, walk-to-learn, walk-to-play villages where African American neighbors own the businesses, own the land, and live the conservation lifestyle. By building economies in energy, horticulture, housing, tourism, and waste in a walkable-village, BIG works to increase household income and resilience against the harms of climate crisis for practitioners in their pilot village of West Woodlawn, Chicago and beyond. The Green Power Alliance is its lobbying affiliate.

About the National Consumer Law Center

Since 1969, the nonprofit <u>National Consumer Law Center® (NCLC®</u>) has worked for consumer justice and economic security for low-income and other disadvantaged people in the U.S. through its expertise in policy analysis and advocacy, publications, litigation, expert witness services and training.

About Environmental Defense Fund

One of the world's leading international nonprofit organizations, <u>Environmental Defense Fund</u> creates transformational solutions to the most serious environmental problems. To do so, EDF links science, economics, law, and innovative private-sector partnerships. With more than 3 million members and activists and offices in the United States China, India, Mexico, Indonesia and the European Union, EDF's scientists, economists, attorneys and policy experts are working in 28 countries to turn our solutions into action. Connect with us on Twitter @EnvDefenseFund

About The Campaign To End Energy Poverty

The Campaign to End Energy Poverty was launched by Blacks in Green via core partners of its lobbying affiliate, the Green Power Alliance, including the National Consumer Law Center, COFI, Legal Action Chicago, and the Environmental Defense Fund, with lobbying support from the Illinois Environmental Council. Its goal of ending energy poverty extends nationally through a national network of advocates first convened by BIG at its headquarters in July 2022 as the Black Energy Justice Retreat. Its first focus included utility regulatory reform for more balanced representation of Illinois ratepayers and model legislation for achieving America's standard 6% cap of household income for the life-essential service delivery of utility light and heat.