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## ICC Closes Cloud Computing Accounting Rulemaking, Citing Unnecessary Regulation and Failure to Quantify Impact on Consumers

Chicago, IL - The Illinois Commerce Commission (Commission) declined to adopt new cloud-based computing accounting rules over concerns of redundancy, overregulation, and failure to quantify impacts to consumers who ultimately must bear the costs. The Commission did not find this proposed rule to be necessary to 'level the playing field' for cloud-based services. The Commission noted that regulated entities already avail themselves of these solutions and, accordingly, found ratepayers should not be liable for transforming a marketplace that already was transforming.

The Commission initiated Docket No. 17-0855 in 2017 to consider amendments to the Commission's rules related to the regulatory accounting treatment of cloud-based solutions. The proposal was sent back to the Commission last year by the Joint Committee on Administrative Rules with the request for additional information about the financial impact on consumers.

The Commission in the Final Order notes that "cloud computing solutions are undeniably an important way forward for the Illinois utilities that can provide many efficiencies, improve reliability and significantly cut costs. The Commission is encouraged to see that more and more utilities are taking advantage of cloud-based solutions without this rule in place." The Order finds that the 80/20 split of the costs of cloud computing proposed by the parties to be arbitrary and not supported by the record. The Order also notes that Financial Accounting Standards Board's existing accounting standards remain available to the utilities to recover some of their cloud-based solutions' costs.

From the bench, ICC Chairman Carrie Zalewski said that utilities indicated in the record that they already are employing cloud-based solutions more and more because of the efficiencies and cost savings. She complimented the utilities for taking these steps, without government intervention. "We need to let technology and markets thrive by getting out of the way with an overly-prescriptive, unnecessary regulation," said Zalewski.

To read the Final Order for Docket No. 17-0855 click [here](#).

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### *About the Illinois Commerce Commission*

The Illinois Commerce Commission (ICC) is a quasi-judicial body made up of five Commissioners. Through its Public Utility Program, the Commission oversees the provision of adequate, reliable, efficient and safe utility services at the least possible cost to Illinois citizens served by electric, natural gas, telecommunications, water and sewer public utility companies. Through its Transportation Regulatory Program, the Commission oversees public safety and consumer protection programs with regard to intrastate commercial motor carriers of general freight, household goods movers, relocation towers, safety towers, personal property warehouses and repossession agencies. The Commission's Rail Safety Program also inspects and regulates the general safety of railroad tracks, facilities and equipment in the state.

To learn more about the Commission, its offices and bureaus, [click here](#). If you are a consumer who needs help resolving a utility dispute call 800-524-0795 or file an online complaint [here](#). For a complaint related to transportation, call 217-782-6448.

