



ICC Issues a Decision on Nicor Gas' Request for a General Rate Increase

Chicago, IL – Today, the Illinois Commerce Commission (ICC) disallowed \$96.99 million to Nicor Gas' rate request for its natural gas delivery services in Illinois. The decision is about 30.3 percent lower than Nicor's initial request for a \$320 million increase and approves a 9.51 percent return on equity (ROE), a reduction from Nicor Gas' current 9.73 percent ROE and the company's requested 10.35 percent ROE.

The ICC has issued its decision after closely scrutinizing Nicor's rate case filings and additional materials submitted by the utility, Commission staff, and various interveners over an 11-month legal proceeding. The process aims to ensure the utility receives the necessary funds to provide safe and reliable service to customers and to maintain and replace aging infrastructure at a reasonable cost to ratepayers. In accordance with the Illinois Public Utilities Act, these costs are only recoverable if a utility demonstrates they are reasonable and prudent.

The decision initiates a two-step future of gas proceeding that includes a detailed action plan for the utilities' future infrastructure investments to evaluate the impacts of Illinois' decarbonization and electrification goals on the natural gas system.

"As the State embarks on a journey toward a 100 percent clean energy economy, the gas system's operations will not continue to exist in its current form. Identifying how our gas and electric systems can adapt to meet these goals, and what specific actions should be taken to achieve them, will be an important task for the Commission moving forward," said **ICC Chairman Doug Scott**.

The decision also establishes a new low-income discount rate for eligible customers whose incomes are up to 300 percent of the Federal Poverty Level (FPL). The rate will offer a five-75 percent monthly total bill credit for qualifying customers beginning October 1, 2024. In December of last year, the ICC found the implementation of low-income discount rates to be appropriate for Illinois' electric and natural gas residential customers. As a part of the Commission's decision, Nicor will submit annual reports documenting cost-reduction from the program.

Customers already enrolled in the state's [Low-Income Home Energy Assistance Program \(LIHEAP\)](#) will automatically qualify for the newly-established low-income discount rate. Customers not currently eligible for LIHEAP, but whose income falls within 200-300 percent of FPL still qualify for a discount by self-reporting their income eligibility to their utility.

The impact of the rate case decision on individual customers will vary based on customers' service class and energy usage. The ICC plans to issue an estimated bill impact for the average residential customer once Nicor submits its updated compliance filing with the Commission.

Customers struggling to pay their utility bills are encouraged to apply for LIHEAP, [Utility Bill Assistance \(illinois.gov\)](#) and can access Nicor's Energy Assistance Programs [here](#).

More information regarding Nicor's rate case can be found in [Docket No. 23-0066](#).

Nicor Gas delivers natural gas to 2.2 million residential, public sector and business customers in more than 650 communities throughout northern Illinois.

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.

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