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## ICC Issues Decision on Peoples Gas and North Shore Gas' General Rate Increase Requests

Chicago, IL – Today, the Illinois Commerce Commission (ICC) disallowed \$101.12 million and \$5.57 million to Peoples and North Shore Gas' respective rate requests for their natural gas delivery services in Illinois. The Commission's decision is approximately 25 and 34 percent lower than Peoples and North Shores' initial requests for \$403.98 and \$16.59 million in respective increases and approves a 9.38 percent return on equity (ROE) for both companies, a reduction from the utilities' requested 9.90 percent ROE.

The ICC has issued its decision after closely scrutinizing the utilities' rate case filing and additional materials submitted by the utilities, Commission Staff, and various intervenors over an 11-month legal proceeding. The process aims to ensure the utilities receive 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-83 percent monthly total bill credit for qualifying Peoples Gas customers and a five-79 percent monthly total bill credit for qualifying North Shore 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, Peoples and North Shore must 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.

Customers struggling to pay their utility bills are encouraged to apply for [LIHEAP](#), and can access Peoples Gas' Energy Assistance Programs [here](#) and North Shore Gas' Energy Assistance Programs [here](#).

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

The Commission's decision orders a new investigation of Peoples' ongoing pipeline replacement efforts (System Modernization Program (SMP)) and pauses the funding until the investigation concludes. The pause will not remove any funding related to emergency response to leaks, pipe breaks, or other critical safety measures.

More information regarding the consolidated rate cases can be found in Docket Nos. [23-0068](#) and [23-0069](#).

The utilities service a combined 1,048,000 customers in the City of Chicago and Chicago's northern suburbs.

### **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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