

# NEWS CLIPPING SERVICE

COMMONWEALTH EDISON COMPANY

- Communications Services Dept.

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## ICC staff helps Edison raise request

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By Dave Schneiderman

IN AN UNUSUAL move, the Illinois Commerce Commission staff is recommending that \$354 million be added to a \$582 million rate increase being sought by Commonwealth Edison Co.

If approved by the ICC, the nearly \$1 billion in increases would raise annual electric rates by nearly 20 percent, an Edison spokeswoman said.

Edison did not request the additional increase proposed by the ICC staff. The staff has made no recommendation on whether to grant or deny either rate request.

ICC Chairman Philip O'Connor said the two proposed rate increases will be considered simultaneously to save consumers money.

Edison has requested the \$582 million annual rate increase to fund its Byron 1 nuclear power plant, which is to go into service in about two months.

**EDISON OFFICIALS** have said informally that the utility will need another \$354 million increase once its Byron 2 nuclear generator comes on line in June, 1986.

O'Connor said consideration of that proposed increase—which wouldn't go into effect until the Byron 2 plant opened—would eliminate the temptation for the company to ask for more money than it needs.

"Doesn't it make sense to put a cap on the amount now instead of waiting until later when estimated costs would probably escalate?" he said.

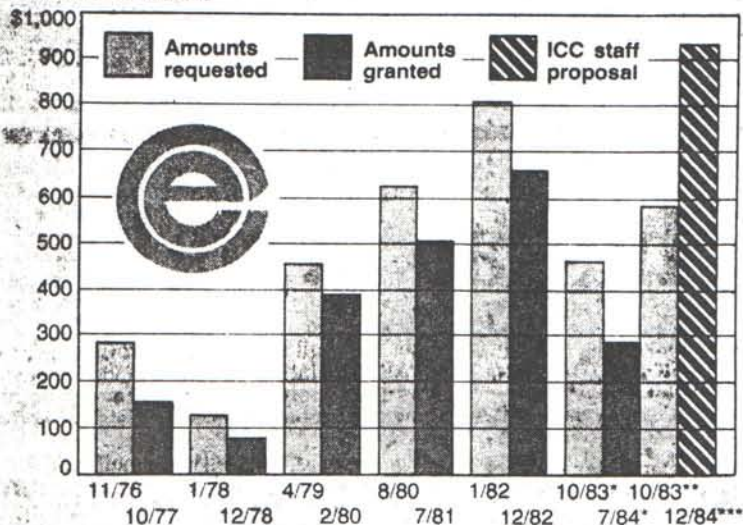
Douglass Cassel Jr., an attorney with the Business and Professional People in the Public Interest, a citizens watchdog group, was dubious.

**"FOR THE ICC staff to take the initiative in this type of request raises serious questions about whose interests are actually being served by the ICC,"** Cassel said.

The staff recommendation was revealed at a routine ICC hearing Wednesday on setting a schedule for testimony on the \$582 million request.

### Commonwealth Edison rate hikes

In millions of dollars



\*Part 1 of 2 parts

\*\*Part 2

\*\*\*Additional \$359 million for Byron 2

Chicago Tribune Graphic; Source: Illinois Commerce Commission

At the hearing, Thomas J. Russell, an ICC staff member, said the staff would file a motion Friday to combine the proceedings for the rate increase requests.

Barbara Arnold, an Edison spokeswoman, said the \$582 million request, if approved by the ICC, would raise rates about 12.2 percent.

If the \$354 million is included, rates would increase about 18 or 19 percent, she said.

**BUT BECAUSE** the proposed rate increases would not take place at the same time and the ICC must decide how an increase would be distributed among consumers, it is not possible to predict what the effect would be on residential, commercial or industrial users of electricity.

"Actually, this will save money in the long run," Russell said, "because if the ICC agrees to consider the \$354 million along with the \$582 million, it would preclude the possibility of full blown and costly ICC hearings on the \$354 million in the future."

The ICC has the authority to accept, deny, lower or increase any utility rate increases requested based on evidence presented.

Since 1970, the ICC has approved 10 rate increases sought by Edison, almost always less than the company sought. Over those years, Edison has received an average of 22 percent less than it asked for.

**THE COMMISSION** has been known to grant more than was requested. In 1973, the ICC granted Edison a rate increase of \$98.4 million, although the company had requested \$95.2 million.

The last rate increase granted Edison by the ICC was \$291 million last summer. It was the first of a two-phase increase the company had sought.