



# CITIZENS UTILITY BOARD

## Fighting for Illinois Consumers

**FOR IMMEDIATE RELEASE:**  
Wednesday, Oct. 8, 2025

**CONTACT:** Jim Chilsen, CUB  
(c) 312-513-1784, [jchilsen@citizensutilityboard.org](mailto:jchilsen@citizensutilityboard.org)

### **REGULATORY JUDGES RECOMMEND REDUCING NICOR RATE HIKE BY \$100 MILLION, CONSUMER ADVOCATES URGE REGULATORS TO CUT FURTHER**

*Nicor's Push for Record-Breaking Gas Increase Is Dramatically Inflated, According to Opinion Submitted by  
Regulatory Judges to Illinois Commerce Commission (ICC)*

A recommendation pending before state regulators would shave a record-setting rate hike proposal now looming over 2.3 million Nicor Gas customers by more than \$100 million, or about one-third, but consumer advocates say there is more fat to trim from the prosperous utility's bid for a bloated increase in heating bills.

On Monday, administrative law judges for the Illinois Commerce Commission (ICC) published an opinion prescribing a \$109.8 million reduction in Nicor's proposed \$314.2 million rate hike (**Docket No. 25-0055**), which the ICC is expected to rule on in late November. While the judge's opinion, known as a Proposed Order, advises the Commission to cut the whopping increase by about a third, it still would leave consumers saddled with an increase of about \$204.4 million at the same time they're struggling to keep up with spiraling energy prices and rising costs across the board.

In fact, under the Proposed Order, Nicor would be entitled to collect its fifth rate hike in eight years, just as consumers are still reeling from a summer when electricity prices skyrocketed. It would also inject another financial windfall into the bulging coffers of Nicor's corporate parent, Southern Company, which has amassed more than \$25 billion in profits since 2017, when the utility's rate-hike spree started.

Consumer advocates, including the Citizens Utility Board (CUB), Illinois PIRG, and the Illinois Attorney General's office, have urged the ICC to adopt cuts that would slash Nicor's proposed increase about in half, at least. CUB characterized the Proposed Order as a sizable step in the right direction, but urged the ICC to go far beyond the recommendation and make tens of millions of dollars in additional cuts to Nicor's proposed increase.

"This Proposed Order is a promising step toward holding Nicor accountable, but we hope regulators will see that there's plenty more room to do justice for consumers by eliminating wasteful spending and a bloated profit rate for shareholders," said CUB Executive Director Sarah Moskowitz. "Now more than ever, consumers are counting on state regulators to alleviate the burden of relentlessly escalating utility costs, because no one should have to choose between keeping the heat on in the winter and putting food on the table."

Among the largesse that consumer advocates are seeking to eliminate from the rate hike, chief examples include:

- **Excessive profit rate for shareholders.** Nicor is pushing to increase its "Return on Equity" (ROE)—or profit rate for shareholders—from about 9.51 percent to 10.35 percent. That would needlessly cost customers \$47.4 million a year, CUB argues. To make matters worse, Nicor's proposal to spread that wealth across more shareholders, increasing its "equity ratio," would cost another \$28.6 million a year. That comes out to a total of \$76 million.
- **Lavish executive bonuses.** Nicor wants to force customers to pay for bonuses the company gives to executives for reaching financial goals that help enrich shareholders but have absolutely no benefit to customers. This would improperly raise costs for customers by \$18.1 million a year, CUB argues.

309 W. Washington St., Suite 800, Chicago, IL 60606  
Phone (312) 263-4282 | Toll Free 800-669-5556 | Fax (312) 263 4329

- **High customer charge.** Nicor wants to burden customers with a higher fixed customer charge, raising it from \$19.48 to \$23.41 a month. That would give customers less control over their bills and hurt their efforts to use energy efficiency to save money. Illinois PIRG, Environmental Defense Fund (EDF) and the Environmental Law & Policy Center (ELPC) want to lower the customer charge.

The ICC will issue a final ruling on Nicor's rate-hike request in November. If approved, Nicor's rate hike would increase average gas bills by about 9 percent, or \$7.70 a month/\$92.40 per year, and push the utility's total increases to more than \$1 billion in less than a decade.

###

For more than 40 years the Citizens Utility Board (CUB) has been Illinois' leading nonprofit utility watchdog group. Created by the Illinois Legislature, CUB opened its doors in 1984 to represent the interests of residential and small-business utility customers. Since then, CUB has helped save consumers more than \$20 billion by blocking rate hikes and securing refunds. For more information, call CUB's Consumer Hotline, at 1-800-669-5556, or visit CUB's website, [www.CitizensUtilityBoard.org](http://www.CitizensUtilityBoard.org).