

**July 18, 2019**

**ATTORNEY GENERAL RAOUL ANNOUNCES SETTLEMENT WITH PEOPLES GAS FOR OVERCHARGING CUSTOMERS FOR ITS QUALIFYING INFRASTRUCTURE PROGRAM**

***Peoples Gas Customers to Receive \$7 Million as Part of Settlement***

**Chicago** — Attorney General Kwame Raoul today announced the Illinois Commerce Commission (ICC) approved a \$14 million settlement with Peoples Gas in response to its 2015 infrastructure spending, primarily on pipeline replacement.

The settlement, entered into between Peoples Gas and the Attorney General's office, the ICC, and the Citizens Utility Board, is the result of the ICC's yearly review of how Peoples spends the funds received from the "Rider QIP." The Rider QIP is the surcharge that appears on customers' bills each month, which goes toward infrastructure improvements. The settlement amounts to \$14 million, with \$7 million going directly to Peoples Gas customers. The remaining \$7 million will be deducted from the investment base from which Peoples Gas earns a profit.

"This settlement will directly benefit Peoples Gas customers who face unaffordable bills due to Peoples' spending on the costly pipeline replacement program," Raoul said. "Our office will continue to fight to ensure all customers are paying fair and reasonable rates for their utilities."

Under the settlement, customers will receive a one-time credit of approximately \$4 on their August gas bills along with a small reduction to their gas charge for the month of August. In addition, the settlement establishes a fund to reconnect customers who have been disconnected from Peoples Gas service due to unaffordability issues. This \$3.5 million fund will be distributed according to the following priorities:

- Funds will first be used to reconnect service and forgive all outstanding utility service debts for all residential low income customers whose service is disconnected as of July 17, 2019.
- Remaining funds will be used to reconnect service and forgive all outstanding utility service debts for every customer who was disconnected in 2018 and whose service is still disconnected as of July 17, 2019.
- Further remaining funds will be used to reduce the outstanding debt of any customer who could be at risk of disconnection for non-payment.
- Final remaining funds will be deposited by Peoples Gas in its Share the Warmth Program.

Under the settlement, Peoples Gas will also reduce by \$7 million the money upon which the company earns a profit in connection with its infrastructure investment. The long term effect of this adjustment will have a significant effect on Peoples Gas charges in years to come.

Bureau Chief Janice Dale, Assistant Bureau Chief Karen Lusson and Assistant Attorney General Jack Erffmeyer handled the case for Raoul's Public Utilities Bureau.