How Illinois consumers can take our power back

By Abe Scarr, Illinois PIRG state director

Illinoisans who get their electricity from Commonwealth Edison (ComEd) are paying 37 percent more for their electricity delivery than they did in 2012—when in fact, declines in power supply prices over the last decade should have led to lower electric bills.

Why the extra cost? The answer lies in a case of political influence enabling a powerful special interest to overturn its own regulation, maximizing private profit rather than the public good.

Last July, ComEd admitted to giving out jobs and contracts to allies of the powerful Illinois House Speaker. This likely influenced a set of state policies that included automatic rate hikes, a weaker utility regulator, a bailout of parent company Exelon’s nuclear power plants, and a stalled transition to clean, renewable energy. At the center of the scheme was ComEd’s influence on the 2011 Energy Infrastructure Modernization Act (EIMA)—a law that guaranteed record profits for ComEd on the basis of promised grid improvements which have failed to materialize as promised. Corruption indeed.

Illinoisans deserve their money back. But even more importantly, they deserve to see reforms that will prevent political corruption in the future. So Illinois PIRG has jumped into action to work for accountability, restitution and reform through the Take Our Power Back campaign.

Here’s what’s happened so far:

- In the 10 years since it was passed, EIMA has built ComEd and parent company Exelon a profit machine entirely out of proportion to the law’s specified investments.
Among Illinois PIRG’s challenges to the political power ComEd accumulated—and the utility-friendly policies that came with it—was a 2016 campaign that won the rejection of a ComEd “demand charge” proposal, which would have hurt consumers’ ability to manage their utility bills and undermined the growth of solar power.

Then, in July 2020, a months-long federal investigation resulted in a deferred prosecution agreement in which ComEd admitted to giving out jobs and contracts to allies of Illinois House Speaker Michael Madigan, in hopes of influencing one of the state’s most powerful politicians. Federal prosecutors deemed these actions as constituting a corrupt bribery scheme, and ComEd agreed to pay a $200 million fine.

Illinois PIRG launched the Take Our Power Back campaign in the fall of 2020, which kicked off with the release of a report titled “Guaranteed Profits, Broken Promises.” The report details ComEd’s use of automatic rate hikes to lock in private profits, even though the public good of a substantially cleaner, more efficient electricity grid never materialized. In addition to financial restitution for ComEd customers, our advocates are calling for a set of legislative reforms that will ensure ComEd can’t amass so much political influence ever again.

In many ways, the revelation of the bribery scandal simply confirmed what anybody paying attention already knew: ComEd had influenced the regulatory system in Illinois to the point where it was allowed to accrue the financial benefits of investing in better utility infrastructure without the promised benefits of much of that infrastructure ever actually materializing.

For our part, the Illinois PIRG campaign was positioned perfectly to raise awareness about the consumer impact of ComEd’s power and influence, rather than the political impact. We were able to shine a spotlight on how ComEd’s conduct impacts every Illinoisan, even in the midst of a dramatic and rapidly evolving political scandal.

We’re pleased that Illinois Gov. J. B. Pritzker has proven relentless in his calls to end automatic rate hikes, re-empower utility regulators, and reform ethics and transparency laws. But ComEd and other utilities still have allies in Springfield, and so we’ll keep advocating and organizing for our reform agenda until it’s passed by the Legislature and signed by the governor. Our work to hold ComEd accountable—and to stand up for consumers everywhere against special interests, corruption and obstacles to a more sustainable future—has only just begun.
“In 2021, whether from our separate bubbles or back in our more traditional offices, we will continue to focus on bringing Americans together around policies that will improve our quality of life by making all of us healthier and more secure,” said Faye Park, president of our national partner U.S. PIRG.

COVID-19 RESPONSE

Health professionals discuss vaccine communication with U.S. PIRG

This past winter, as the effort to vaccinate Americans against COVID-19 gained momentum, misinformation and confusion threatened to limit the effort’s reach.

Our national partners at U.S. PIRG co-hosted a Facebook Live panel with Doctors for America on Jan. 19 to discuss how health providers, policymakers and the media can communicate accurate vaccine information to the public. The panel included Drs. Saad B. Omer, Rob Davidson and Christine Grady, as well as infectious disease and global health journalist Helen Branswell.

Topics included communicating vaccine benefits to rural communities; the extensive testing and review that approved vaccines have undergone; and more.

“Vaccinating the country is a challenge, but we know that we can accomplish this feat by following the advice of medical experts,” said U.S. PIRG Public Health Campaigns Director Matt Wellington, who moderated the panel.

CONSUMER PROTECTION

Illinois enacts landmark bill to deter predatory lending

Illinois consumers will soon enjoy new PIRG-backed protections against predatory lenders.

On Jan. 13, the Illinois General Assembly passed the Predatory Loan Prevention Act, which will institute a 36 percent interest rate cap on consumer loans, including payday and car title loans. Too often, these loans trap borrowers in cycles of debt through excessive and predatory interest rates—for example, the average annual percentage rate on a payday loan in Illinois is 297 percent.

Filed as part of the Illinois Legislative Black Caucus’ economic equity omnibus bill, the act passed with bipartisan support and was endorsed by more than 50 consumer, labor, community and civil rights organizations. Gov. J.B. Pritzker signed the bill into law on March 23.

“This legislation will ensure more Illinoisans land on their feet, not their backs, after taking out a small loan in a time of need,” said Illinois PIRG State Director Abe Scarr. “We applaud Rep. Sonya Harper and Sens. Christopher Belt and Jacqueline Collins for championing consumer protection.”

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Support our work in the public interest by including a gift to Illinois PIRG or Illinois PIRG Education Fund in your will, trust or retirement accounts.

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BEYOND PLASTIC

Illinois PIRG urges Whole Foods to do its part to cut plastic pollution

Whole Foods isn’t living up to its planet-before-profit reputation—but bold action to cut its plastic footprint could change that and help address our plastic waste problem.

In November 2020, Illinois PIRG launched a campaign calling for a commitment from Whole Foods to phase out single-use plastic packaging at its stores. In June of last year, environmental group As You Sow gave the grocery chain an “F” for its policies on plastic packaging, material that contributes to the massive amounts of plastic waste overrunning our landfills and polluting our planet.

“As a company with a reputation for selling food that is good for people and the planet, Whole Foods can make a big dent in reducing plastic pollution,” said Alex Truelove, Zero Waste campaign director with our national network. “Whole Foods Market once led the industry as the first U.S. grocer to eliminate plastic grocery bags at checkout in 2008. It’s time they lead again.”

Dear Illinois PIRG member,

Illinois PIRG, our national network and U.S. PIRG Education Fund work to bring Americans together around solutions for safer, healthier lives. With your support, we’re working to slash plastic waste, educate Americans about the COVID-19 vaccine, and transform our transportation. Thank you for standing with us.

Abe Scarr
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Our national network’s Zero Waste Campaign Director Alex Truelove speaks in support of the federal Break Free From Plastic Pollution Act, introduced in March.

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