November 19, 2025



ICC CONTACT Cayli Baker

Office: (312) 793-8841 Cayli.Baker@illinois.gov

ICC strikes \$146.5M from Nicor Gas' rate request

Chicago, IL – Today, the Illinois Commerce Commission (ICC) **cut \$146.5 million** from Northern Illinois Gas Company's (Nicor) rate request for its natural gas delivery services. **The decision reduces Nicor's initial** \$314.3 million **request by nearly 47 percent** and approves a 9.60 percent return on equity (ROE), a reduction from the company's requested 10.35 percent ROE.

"The ICC's responsibility is to balance the interests of Illinois' utilities and their consumers. We recognize that any decision impacting Illinoisans' bills is not a small one, and after careful review of Nicor's proposed investments, the Commission opted to strike excess charges and approve necessary and justified projects," said ICC Chairman Doug Scott.

The ICC issued its decision after closely scrutinizing Nicor's filings, along with additional materials submitted by the utility, consumer advocates, Commission staff, and various interveners over an 11-month legal proceeding. The rate case process is designed to ensure that utilities receive the necessary funds to provide safe and reliable service at a reasonable cost to ratepayers. Under the Illinois Public Utilities Act, these costs are only recoverable if the utility demonstrates they are reasonable and prudent.

Today's decision provides important oversight to constrain spending and protect ratepayers from energy infrastructure costs they might otherwise fund for decades. In all rate cases, the legal burden of proof falls to the utilities, and many of the specific disallowances made to Nicor's proposed investments were made to projects where the utility failed to sufficiently articulate management decisions, including the need, timing, and pace of the proposed projects.

The final order also directs Nicor to maintain a 3 percent energy burden for all customers by adjusting the utility's low-income discount (LID). The 3 percent figure is a nationally recognized measure of affordability.

"Both Ameren and Nicor's gas orders appropriately defer several important investment, infrastructure, and policy planning questions to collaborative forums like the ongoing Future of Gas series and upcoming Low-Income Discount workshops. These stakeholder discussions are important to analyze potential pilot programs, review broader decarbonization strategies, and consider implications of the state's low-income discount programs. The ICC confirmed today that Illinois' LID programs must maintain a 3 percent energy burden for our most vulnerable natural gas and electric customers," said ICC Commissioner Stacey Paradis.

The impact of the rate case decision on individual customers will vary based on service class and energy usage.

Customers struggling to pay their utility bills are encouraged to apply for the state's <u>Low-Income Home Energy Assistance Program (LIHEAP)</u> and check their eligibility for Nicor's <u>Low-Income Discount Program</u>. All Nicor Energy Assistance Programs can be <u>viewed here</u>.

Nicor Gas delivers natural gas to 2.3 million residential, public sector and business customers throughout northern Illinois.

More information regarding Nicor's rate case can be found in Docket No. 25-0055.

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.

Follow the Illinois Commerce Commission on social media @ILCommerceComm.

###









