

## ComEd's Image Problems Shouldn't Prevent Necessary Improvements

Written by Rich Miller

Sunday, 18 September 2011 05:36

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Governor Pat Quinn recently vetoed a "Smart Grid" bill that was pushed through the General Assembly this past spring by ComEd and Ameren, the two biggest electric utilities in the state.

Politically, this veto was a no-brainer for the populist Quinn. The governor never tires of recounting how he helped start the Citizens Utility Board, and that dovetails nicely with his repeated claims that the utility proposal "locks in" corporate profits.

ComEd's weather-related outage problems in the Chicago area this summer seriously hurt the company's already damaged image, both in its territory and at the Illinois Statehouse. Add those outages to the possibility of legislature-approved rate hikes and then mix that in with an electorate already inflamed by the income-tax hike and the seeming inability of the state government to get its act together, and it's obvious why this thing never had a chance with Quinn.

That's not to say there wasn't an effort to come to an agreement. ComEd did bow to a Quinn demand to insert language allocating \$50 million to help seniors and the poor. However, that money was included in the company's original plan and was only pulled at the last moment during the spring legislative session.

Quinn's administration and others, including AARP and the attorney general, never really believed that the company was negotiating in good faith this summer. For example, ComEd wants to use a form from the Federal Energy Regulatory Commission to report costs and expenditures, instead of continuing to use the form of the Illinois Commerce Commission (ICC). There are only minor differences between the two forms, but the governor's office and its allies are convinced that ComEd wants the change for nefarious purposes. The company reportedly wants the change because it fears the ICC, which opposes its Smart Grid bill, will exact its revenge by changing the form.

The company's opponents say the Smart Grid stuff is just a ploy to increase profits on other aspects of the company's business. A statement earlier this year by the CEO of the company's parent corporation seemed to disparage the Smart Grid by consigning it to pilot-project status. Company officials now say that a recent pilot project was so encouraging that it is firmly behind the technology.

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Despite all the political problems, ComEd executives firmly believe they can override the governor's veto. It has a list of companies that will expand here if its Smart Grid program moves ahead. It has also offered to spend \$150 million to prevent outages. The company claims it's close to a three-fifths majority in both chambers. After the veto is overridden, the company wants to pass a "trailer bill" to address what it considers to be legitimate concerns by legislators, including Senate President John Cullerton.

Quinn will reportedly use his bully pulpit and meetings with legislators to prevent an override, in much the same way he blocked the passage of the concealed-carry bill earlier this year.

Senate President Pro Tem Don Harmon is in charge of crafting the trailer bill. Harmon says he wants a legislative solution, not necessarily a ComEd solution. That's encouraging. The bill's two legislative sponsors last spring were far too close to the company for comfort's sake. One has a father who lobbies for ComEd, and the other is widely rumored to be planning a career as a lobbyist.

I have supported the Smart Grid for a very long time. Upgrading our infrastructure gives our businesses a competitive advantage over other states and other countries, and the electric grid is a hugely integral component of our infrastructure. But I totally understand why people don't trust ComEd. There's a good reason why it has to hire a battalion of lobbyists every time it tries to pass a bill. Yet opposition shouldn't be totally knee-jerk. Denying the company a decent return on its legitimate investments won't help us move forward.

Senator Harmon needs to wrest control of this process away from both ComEd and grandstanders such as Quinn to come up with a bill that's good for all of Illinois. Everybody should have input, but nobody should dictate the outcome. We need to accept the hard fact that infrastructure improvements aren't free, but we shouldn't just be padding corporate bottom lines without specific, hard guarantees that our state will, indeed, be moved significantly forward.

*Rich Miller also publishes Capitol Fax (a daily political newsletter) and [CapitolFax.com](http://CapitolFax.com).*