STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Illinois Commerce Commission : 
On Its Own Motion : 
: 03-0056

Proceeding to monitor the ongoing : 
development of the marketplace for : 
Commonwealth Edison Customers. :

ORDER DISMISSING PROCEEDING

By the Commission:

Background

On January 23, 2003, the Commission entered the Order Initiating Proceeding in the present docket (“Initiating Order”). The Initiating Order requires, in relevant part, that Commonwealth Edison Company (“ComEd” or “Company”) file with the Commission, on a monthly basis, data on 3 megawatt (“MW”) and larger customers. The Initiating Order also requires that all retail electric suppliers (“RESs”) (the term includes alternative retail electric suppliers (“ARESs”) and electric utilities other than the incumbent), currently serving 3MW and larger customers in ComEd’s territory, file data with the Commission.

On March 30, 2007, Staff of the Commission filed a Staff Report and a Motion to Dismiss. The Administrative Law Judge’s Proposed Order Dismissing Proceeding was served on May 1, 2007. No briefs on exceptions were filed.

Staff’s Report and Motion to Dismiss

In its Report, Staff explains that in July 2002, ComEd submitted a Petition pursuant to Section 16-113 of the Public Utilities Act seeking permission to declare service to customers with a demand exceeding 3 MW to be competitive. Docket 02-0479. The Commission permitted the Petition to go into effect by operation of law. See Interim Order, Docket 02-
0479 (November 14, 2002). As a result, existing bundled service customers were permitted to take bundled service only until the end of the Mandatory Transition Period on January 1, 2007. With only limited exceptions, delivery services customers have not been permitted to return to bundled service.

In its Docket 02-0479 Interim Order, the Commission determined that it should initiate a new proceeding to monitor the competitive marketplace for 3 MW and above customers, which resulted in the instant docket. As part of the monitoring effort, the Commission ordered ComEd and each RES to provide quarterly information concerning their sales to the competitive customer group. There was no termination date for these reporting requirements.

Also, Staff filed two Market Monitoring Reports analyzing the switching data and other relevant indicators of market performance. The most recent Market Monitoring report, submitted in April 2006, found that, although the retail market for 3 MW could be considered to be “concentrated,” the level of concentration has been decreasing over time.

According to Staff, since the date of the Docket 02-0479 Interim Order, there has been a steady exodus of 3 MW customers from bundled service to an alternative service (i.e., delivery service or an hourly service). As of January 1, 2007, except for the Special Contracts category, the bundled rate categories for customers over 3MW no longer exist. Customers originally classified in these categories are now eligible only for RES service or hourly service, which has virtually eliminated the value of the market monitoring effort. The only customers in the 3 MW customer group that now remain on ComEd fixed supply service are two Special Contract customers and these customers must switch to an alternative service when their contracts terminate.

Further, Staff notes that ComEd and the RESs have reported quarterly data from the inception of the reporting requirements in 2002. The costs that ComEd and the reporting RESs incur in collecting the data will be substantially reduced, if not eliminated, by termination of the reporting requirements. Accordingly, Staff recommends that the Commission terminate this docket and the ComEd and RES reporting requirements.

Staff notes that if the reporting requirements are rescinded, much of the switching data that ComEd provides in its quarterly reports will still be provided in the monthly Electric Supply Option reports that are posted on the ICC website at http://www.icc.illinois.gov/en/switchstats.aspx pursuant to the Commission’s order in Docket 03-0303. Thus, the Commission and interested parties will still be able to track the supply
choices of the 3 MW competitive customers.

No responses were filed to Staff’s Report or its Motion to Dismiss.

**Commission Analysis and Conclusion**

The Commission finds that it is appropriate to dismiss this proceeding and terminate the reporting requirements. The Staff Report clearly lays out that, as of January 1, 2007, the bundled rate categories for customers over 3MW no longer exist. Moreover, only two Special Contract customers remain on ComEd fixed supply service and these customers must switch to an alternative service when their contracts terminate. We agree with Staff that it is evident that customers have found supply alternatives and, therefore, the purpose of the monitoring requirements has largely been met. Accordingly, this proceeding should be dismissed and the reporting requirements for both Retail Electric Suppliers and ComEd are terminated. We note that ComEd’s publicly available monthly switching report will identify the supply choices made by 3 MW competitive customers.

**Findings and Ordering Paragraphs**

The Commission, having considered the entire record and being fully advised in the premises, is of the opinion and finds that:

1. the Commission has jurisdiction over the subject matter herein, over Commonwealth Edison Company, and over other Illinois “electric utilities” and “alternative retail electric suppliers” as those terms are defined in Section 16-102 of the Public Utilities Act;

2. the recitals of fact set forth in the prefatory portion of this Interim Order are supported by the record and are hereby adopted as findings of fact;

3. the reporting requirements for both Retail Electric Suppliers and Commonwealth Edison Company should be terminated for the reasons set forth herein; and
(4) this matter should be dismissed.

IT IS THEREFORE ORDERED that the Commonwealth Edison Company and retail electric supplier monthly filing requirements as well as the Staff annual reports, as previously ordered by the Commission, are hereby terminated for the reasons set forth herein.

IT IS FURTHER ORDERED that Staff’s Motion to dismiss is granted and this proceeding is hereby dismissed.

IT IS FURTHER ORDERED that a copy of this Order Dismissing Proceeding be served on the designated agent of Commonwealth Edison Company and of every other electric utility and alternative retail electric supplier.

IT IS FURTHER ORDERED that subject to the provisions of Section 10-113 of the Public Utilities Act and 83 Ill. Adm. Code 200.880, this Order is final; it is not subject to the Administrative Review Law.

By Order of the Commission this 12th day of June, 2007.

(SIGNED) CHARLES E. BOX

Chairman