

RETAILERS WHO OPERATE FACILITIES IN COMED'S ELECTRIC TERRITORY

Customers Will Soon See Significant Credits on Their Bills

By Alec Laird, MHA Illinois Lobbyist and Vice President, Government Relations for the Illinois Retail Merchants Association

Public Act 102-0662 (the “Climate and Equitable Jobs Act”) was signed into law and became effective on September 15, 2021. This legislation calls for the procurement of Carbon Mitigation Credits (“CMCs”) from carbon-free energy resources; specifically, from the three financially challenged nuclear plants in the ComEd territory. Beginning June 2022, a [Carbon-Free Energy Resource Adjustment \(Rider CFRA\)](#) will begin appearing on ComEd bills. Adjustments, which can either be a charge or a credit depending on energy and capacity prices, will be reset each year and will be included on customers’ bills for the next five years. Please note, CFR Adjustments do not apply to customers in downstate Ameren Illinois territories.

Carbon-Free Energy Resource Adjustment (CFRA) Results in Significant Utility Credits for all ComEd Customers in Year-1

YEAR 1: June 2022 - May 2023

In a filing with the Illinois Commerce Commission (ICC), ComEd announced adjustments customers will see in the first year. The same rate will be applied to all customers regardless of size including the bills of customers that do not buy energy supply from ComEd.

- a credit of 4.306 ¢/kWh for each summer month (Jun, Jul, Aug, Sept)
- a credit of 3.573 ¢/kWh for each non-summer month (Oct, Nov, Dec, Jan, Feb, Mar, Apr, May)

Year-1 credits for smaller commercial customers who are currently buying supply from ComEd on Rate BES (Basic Electric Service), the utility's fixed-price rate, will likely more than offset the recent supply charge increase for the June 2022 through May 2023 period.

What can Illinois retailers who operate stores in the ComEd territory expect to see in dollars-and-cents as a result of Year-1 CFR-Adjustments?

The table below provides estimated Year-1 credit amounts for a sampling of different types of retailers on a monthly and an annual basis. Estimates are based on actual most recent 12-month, monthly volumes. Please note, usage varies widely even within the same type of retail establishments.

SUMMER PERIOD (JUN - SEP) CREDIT: \$0.04306/KWH
NON-SUMMER PERIOD (OCT - MAY) CREDIT: \$0.03573/KWH

RETAILER TYPE	Sample Single Location Most Recent 12-month Usage (kWh)	Est Weighted Avg (Summer /Non-Summer) CFRA per Store (\$/kWh)	Year-1 Est. ANNUAL Credit for One Store	Est SUMMER Period Avg MONTHLY Credit per Store	Est NON-SUMMER Period Avg MONTHLY Credit per Store
Independent Hardware Dealer	118,620	\$0.03895	\$4,620	\$561	\$297
Independent Liquor Store/ Small Restaurant	182,220	\$0.03874	\$7,059	\$1,289	\$480
Small/Med Clothing/Jewelry/Shoe Store	221,265	\$0.03818	\$8,448	\$798	\$657
Furniture Store	331,284	\$0.03858	\$12,781	\$1,384	\$905
National Drug Store	424,200	\$0.03825	\$16,226	\$1,572	\$1,242
Restaurant	518,954	\$0.03862	\$20,042	\$2,205	\$1,403
Fast Food	531,369	\$0.03852	\$20,468	\$2,174	\$1,471
C-store/Small Grocer	582,383	\$0.03870	\$22,538	\$2,536	\$1,549
National Dept Store	1,091,803	\$0.03881	\$42,373	\$4,945	\$2,825
Medium Grocer	1,149,798	\$0.03852	\$44,290	\$4,709	\$3,181
National Hardware Chain	1,551,614	\$0.03875	\$60,125	\$6,888	\$4,072
General Merchandise with Grocery	2,143,411	\$0.03904	\$83,679	\$10,416	\$5,252
Large Grocer	2,453,126	\$0.03910	\$95,917	\$9,839	\$7,136
Big Box	3,472,366	\$0.03837	\$133,235	\$13,471	\$9,919

DO NOT BUILD YOUR FUTURE BUDGETS ON YEAR-1 ADJUSTMENTS

Remember, adjustments can be either a charge or a credit. There is no guarantee future years will result in the level of credit customers can expect to see Year-1. Following required annual audits, review and reconciliation, adjustment rates will be reset in May each calendar year and rates for Non-Summer Periods may also be reviewed and updated during the year, each year, in September.