

October 24, 2005

Editorial: A rigged game at the ICC

It has been a month since Gov. Rod Blagojevich engineered a coup at the Illinois Commerce Commission. He made a blatant attempt to stop utility regulators from siding with Commonwealth Edison in a controversial rate case. Blagojevich dumped the ICC chairman he had appointed in 2003 and replaced him with Martin Cohen, the longtime head of the Citizen's Utility Board and a harsh critic of ComEd's plan.

Cohen is a respected advocate for consumer causes, but at CUB he had taken an emphatic stand on just about every major utility matter pending before the ICC. Installing him there is like outfitting Ozzie Guillen in an umpire's uniform and letting him call balls and strikes in the World Series. Advantage, home team.

Baseball wouldn't rig its game, and neither should Illinois.

A regulatory body like the ICC is supposed to render impartial decisions, independent of the influence of politics or special interests. In trying to muscle the ICC, Blagojevich has tossed away any confidence in the impartiality and integrity of its decisions.

Blagojevich announced Cohen's nomination with great fanfare but has yet to submit it to the state Senate for confirmation. State law allows the governor to wait until January to forward Cohen's name for approval, and the Senate can then mull it over deep into spring.

It's unlikely the delay is a sign the governor is having second thoughts. Cohen is already running the ICC as acting chairman. In practical terms, though, the timetable enables him to preside over the ComEd case before having to face Senate scrutiny. More power games.

There's an urgency to the ComEd issue. The utility operates under rules approved by the legislature that were designed to phase in the deregulation of electricity markets by the end of 2006. The company--and its customers--need to know how it will secure power in the future to lock in the best price and avoid disruptions.

The utility has asked the ICC to let it hold an auction where electricity generators would compete to offer the lowest prices. ComEd contends that will strike the best long-range bargain for consumers. Staff analysts at the ICC support the auction proposal. But critics, including Blagojevich and Cohen, have vehemently disagreed.

ICC hearings on the ComEd request were under way before Cohen came on board. In fact, he was still running CUB when it formally intervened in the case and filed a lawsuit to try to stop the ICC from hearing it. Now, with Cohen as its acting head, the ICC is expected to render a final decision early next year.

The first sign of trouble ahead: Moody's Investors Service has warned that it may downgrade its rating of ComEd debt because of the adverse regulatory climate here.

Illinois law requires commissioners to recuse themselves from matters in which their impartiality can be questioned. Cohen insists he hasn't prejudged anything, which is laughable.

Blagojevich has guaranteed that the ICC will rule against ComEd. He has also guaranteed that that ruling will wind up in court because of his blatant move to rig it. And--remember the Moody's warning--he has all but guaranteed northern Illinois will move through 2006 with questions about how long the lights will stay on.