



OFFICE OF THE MAYOR
CITY OF CHICAGO

LORI E. LIGHTFOOT
MAYOR

September 21, 2020

Joe Dominguez
Chief Executive Officer
Commonwealth Edison Company
425 South Financial Place, Suite 3300
Chicago, IL 60605

Dear Mr. Dominguez: 

I am in receipt of your August 20, 2020 letter. While I am encouraged to see ComEd's interest in a number of my administration's energy and equity policy priorities, I found your letter to be short on details of what ComEd's commitments would look like in practice. **With recent reports that your company may continue customer disconnections amidst a pandemic and financial crisis, I also find that the rhetoric of your letter contradicts your actions.** The City believes it is time to move beyond rhetoric and instead gauge ComEd's commitment to specific substantive policy goals, including expansive ethics reforms, should the company continue to hold a franchise for electricity distribution in Chicago.

My administration will not present a new franchise with ComEd to City Council unless the following commitments are memorialized, and detailed, in an Energy and Equity Agreement incorporated into a new franchise agreement. I want to note at the outset that these commitments must be funded by ComEd's shareholders, not ComEd's ratepayers. I understand that some of these commitments may require additional proceedings at the Illinois Commerce Commission or even state legislative changes – I will not consider it responsive to be told by the company that a particular item requires additional process to be implemented. Upon execution of an Energy and Equity Agreement, the City would work with ComEd on any additional necessary actions at the ICC or the General Assembly.

Governance and Transparency

- **Ethics Reforms:** ComEd must present an ethics reform plan to the City for review by the Corporation Counsel and this plan will be included as an exhibit to any new franchise agreement.
- **Inclusive Energy and Equity Agreement Governance Process:** The agreement must involve community participation and governance, especially through participation of environmental justice communities. It must also involve real commitments that can be measured and evaluated through such an inclusive, public governance structure.

- **Commit to Traditional Rate-Making:** ComEd must commit to ending formula rate-making as a part of any upcoming state energy legislation.

Energy and Electrification

- **Climate and Energy Targets:** The Energy and Equity Agreement must incorporate quantifiable goals related to renewable energy in the City of Chicago. These goals must be organized around the City's 2035 100% renewable energy commitment. This must include, at a minimum, targets related to community solar generation, other distributed generation and/or microgrid innovations, regional renewable energy, and the generation mix for electricity used in Chicago. The City is well aware that ComEd is a distribution utility and will ensure that the company's role in meeting these goals is taken into account when developing the targets.
- **Energy Efficiency:** ComEd must implement enhanced energy efficiency efforts in Chicago, particularly for low-income customers. This must involve non-ratepayer funds as a way of advancing these enhanced efforts. ComEd must work with my City team to develop and implement enhanced and new program offerings, improve community-based outreach regarding opportunities, and redesign ComEd's public sector offerings available for City facilities and operations. ComEd must also commit to hiring City residents for energy efficiency programs and must work with the City to develop diversity incentives for the energy efficiency workforce. The enhanced effort must rely on energy benchmarking regarding implementation progress in priority communities and must have an enforcement mechanism to ensure real progress.
- **Solar/Distributed Generation Interconnection:** It is unacceptable that there are no community solar installations sited in the City. ComEd must ensure interconnection of solar installations in Chicago at no cost (inclusive of application fees). ComEd must also work with the City to develop additional measures that can streamline and enhance integration of solar installations on the Chicago grid.
- **Electric Vehicles and Electrification:** ComEd must develop a comprehensive Chicago electric vehicle (EV) and electrification strategy, incorporated into the Energy and Equity Agreement. The strategy must include, at a minimum, the following elements: support for CTA bus electrification implementation, a Citywide non-commercial EV program that increases equity in the location of charging infrastructure (including rebates for personal EVs, load-shifting strategies for EV charging, diversity incentives and targets for the EV workforce), incentive programs for EV adoption at local freight yards and logistics operations, creation of a used EV buying program, a pilot demand charge program for personal and commercial EVs, and commitments to ensure that added load from EVs comes from renewable generation or offsetting energy efficiency.
- **Energy Data Transparency:** All data required pursuant to the Energy and Equity Agreement must be publicly available in an easy to utilize format. If the City decides to renew discussions with ComEd around the priorities in this letter, my team is prepared to detail the metrics that must be a part of a new agreement.

Equity and Neighborhood Development

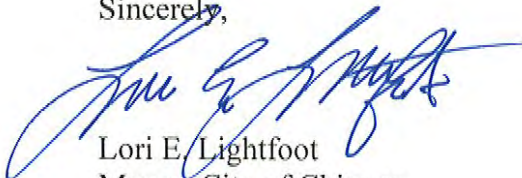
- **Eliminate Customer Deposits:** ComEd must explicitly change its tariffs to remove the use of customer deposits for all customers.

- **Eliminate Late Fees and Disconnections:** ComEd must implement a plan to eliminate the use of late fees and non-payment disconnections as credit and collections techniques. ComEd must also commit shareholder and other non-ratepayer funding to build on pandemic relief efforts through a one-time debt forgiveness program.
- **Align Credit and Collection Policies with Customer Ability to Pay:** ComEd must support establishment of a tiered rate strategy based on a customer's ability to pay and aligned with the City's own Utility Billing Relief Program.
- **Facilitate Use of LIHEAP Funds:** ComEd must jointly develop a plan to increase Low Income Home Energy Assistance Program (LIHEAP) participation amongst eligible Chicagoans.
- **Workforce Development Initiatives:** ComEd must commit to specific, quantifiable diversity hiring and workforce development targets. This must include alignment with the City's Invest South/West program. ComEd must make infrastructure upgrades on the South and West Sides of the city to enable economic development opportunities that rely on a modern, aesthetically attractive grid. These infrastructure projects must have their own significant diverse, local hiring components.
- **Broadband Access:** ComEd must support the City's 'Chicago Connected' broadband initiative through opportunities that increase residential broadband access and affordability.

This is an ambitious but achievable agenda. I will be exploring all other options available to achieve these provisions and execute a new franchise agreement.

I look forward to your prompt response.

Sincerely,



Lori E. Lightfoot
Mayor, City of Chicago

cc: David Reynolds, Commissioner, Assets, Information, and Services
Mark A. Flessner, Corporation Counsel
Melissa Washington, Senior Vice President, Government and External Affairs, ComEd
Verónica Gómez, Senior Vice President, Regulatory and Energy Policy and
General Counsel, ComEd