



CITY OF CHICAGO • OFFICE OF THE MAYOR



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MAYOR LIGHTFOOT ISSUES REQUEST FOR INFORMATION FOR CITY'S ELECTRIC UTILITY FRANCHISE

RFI will evaluate the City's options for electricity delivery for the first time since 1992

CHICAGO – The City of Chicago today issued a [Request for Information \(RFI\)](#) concerning the City's electric utility franchise, ensuring that the City fully evaluates its options for this important partnership. The franchise is an agreement with a public utility to operate and manage the electric distribution system that serves residents and businesses in the City of Chicago. Through the RFI process, for the first time in nearly 30 years—and before that 1948—the City will evaluate information from the electricity industry, including ComEd, regarding a new franchise agreement with the City. The mayor has made clear that she expects the next franchise agreement will focus on delivering safe and reliable service, greater transparency, and ways to reduce low-income residents' electricity bills. Also, the mayor will make sure that the franchise is a powerful tool to advance the City's carbon reduction efforts.

"I've made it clear to ComEd what I expect in a new franchise— more accountability to Chicagoans, a continued focus on reliable electricity delivery, fast and transformative progress on our citywide climate goals and an equitable way to lower costs for residents," said Mayor Lori E. Lightfoot. "Whether it is continuing to disconnect residents during the COVID-19 pandemic or recent rate increases, it is clearer than ever that we need an electricity franchise that delivers better results for our residents. This RFI will enable my administration to secure the best deal possible for Chicagoans."

The RFI issuance does not sever the relationship with ComEd or represent a decision to move forward to negotiate a franchise with another utility provider. Instead, it serves as a due diligence effort to ensure the City ensures the best electricity franchise possible for residents and to consider how the electricity franchise fits into Chicago's future. After evaluating responses to the RFI, the City may choose to propose a new franchise agreement with ComEd, or it may consider additional steps to evaluate other franchise options and partners.



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“The electricity franchise has only been renegotiated twice since the early 20th century, providing the City a unique opportunity to plan for Chicago’s 21st century energy future,” said Assets and Information Services (AIS) Commissioner David Reynolds. “We owe it to the residents of Chicago to explore the energy landscape to determine if there is another structure that drives accountable, reliable and affordable service to the residents and businesses of the city. Through this effort, the City is testing the market after 30 years of doing business with ComEd.”

This RFI advances Mayor Lightfoot’s commitment to addressing economic hardship across Chicago while reducing emissions and catalyzing a more sustainable economy. Any future electricity franchise will consist of two components; the Franchise Agreement, which will regulate the public utility’s use and the public way and operations in Chicago, and a new companion Energy and Equity Agreement, which will detail the ambitious consumer and climate goals the public utility and the City will achieve together.

Mayor Lightfoot made clear earlier this year in an open letter to ComEd that the City wants to see more ambition in the partnership with its electric utility. Recognizing the impact of the COVID-19 pandemic on residents’ ability to afford their electricity bills, and the urgency of climate change, the City is looking for public utility partners to support efforts to reach the following objectives set out by Mayor Lightfoot last year:

Governance and Transparency

- Ethics and accountability to local customers
- Ensure an inclusive Energy and Equity Agreement governing process
- Commit to traditional ratemaking

Energy and Electrification

- Joint climate and energy targets
- Transparency around data to enable collaborative resilience planning
- Support of pilots and projects that drive energy efficiency, solar/distributed generation interconnection, and electric vehicles and electrification within city boundaries

Equity and Neighborhood Development

- Eliminate usage of customer deposits for residential accounts
- Eliminate late fees and disconnections
- Align credit and collection policies with customer ability to pay
- Use LIHEAP Funds to lower customer bills
- Support residents with high quality jobs



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- Increase broadband access for most disconnected residents

"We applaud Mayor Lightfoot for tapping the innovation and creative talents of the vibrant clean energy community," said Dave Kolata, Executive Director of Citizens Utility Board.

"Chicago has appropriately set ambitious climate change goals, and it's vital that franchise agreements align with those efforts. All franchise agreements must set in place the building blocks for achieving a least cost way to 100% clean energy. And they must create a framework that protects consumers while it allows clean energy innovation to thrive through energy efficiency, building electrification, geothermal heat, electric vehicles, and solar installations in Chicago neighborhoods. Today's RFI issued by the City is a great first step toward achieving those goals."

The City anticipates moving to the next step of its franchising process later in 2021, which includes proceeding to a request for formal proposals from potential franchisees or presentation to the City Council of a new negotiated franchise with ComEd that includes companion energy and equity provisions.

"ComEd's bribery scheme not only violated our trust, but harmed consumers through higher rates and broken promises," said Abe Scarr, Director of Illinois PIRG. "Yet, ComEd continues to resist reform and public accountability at the city and state level. We applaud Mayor Lightfoot for exploring alternative options in the face of ComEd's status quo of obstinance."

The RFI can be viewed [here](#). The deadline for responses is May 28, 2021 at 4:00 p.m. CST.

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