



Tax Reform to Impact your Electricity Bill

Now that tax reform is a reality, there is one area of good news to report, electric delivery costs are expected to decrease.

The tax reform bill includes the reduction of the corporate tax rate from 35% to 21%. Previously, utilities set their rates factoring in the higher corporate tax rates. Lowering that rate means utilities have to pay less than they planned. Lower corporate tax rates combined with new depreciation rules have the potential to free up capital for utilities to invest in infrastructure, or to refund their customers.

Crain's Chicago Business reported on January 5, 2018 that ComEd plans to file with regulators to provide a refund – "The electric utility said it will ask the Illinois Commerce Commission for approval to pass along approximately \$200 million in tax savings to its customers in 2018." The average residential customer is expected to save \$2 to \$3 a month in the "Delivery" section of the electricity bill.

We'll keep you updated if there is any other energy related information to pass on to you.