



ICC Initiates Notice of Inquiry into Extreme Weather Preparedness

Springfield, IL – Extreme winter weather in February in the U.S. South Central Region that left millions without electricity or heat, and sent natural gas prices skyrocketing to record levels, has prompted the Illinois Commerce Commission to open a Notice of Inquiry into Extreme Weather Preparedness to ensure Illinois consumers are protected.

“What happened in Texas, Louisiana and Oklahoma this past winter is extremely concerning to the Commission. While we regularly hear from the utilities and regional transmission organizations about their winter and summer preparedness efforts, we are digging deeper so that we are absolutely certain that every reasonable step possible is being taken to protect Illinois consumers from widespread outages and extreme energy prices,” said ICC Chairman Carrie Zalewski.

In mid-February of this year, a severe winter storm that blanketed the south-central region of the United States forced natural gas processing plants and compressor stations to shut down or perform maintenance as liquid froze inside pipes and compressors, dramatically reducing output in the region. The reduction in supply coupled with an increase demand for home heating by gas-fired electric generators sent natural gas prices soaring from approximately \$3.50 per MMBtu on February 10, 2021 to nearly \$24 per MMBtu on February 17, 2021. Price increases for natural gas delivered to Illinois by pipelines from the south-central region were even more dramatic hitting as high as \$255 per MMBtu during this period.

The electric sector in the south-central region was also impacted by the winter storms. According to the U.S. Department of Energy, on the morning of February 16, 2021 there were approximately 4.89 million power outages across Texas, Louisiana, and Oklahoma. Real-time wholesale electric market prices at ERCOT were reportedly more than \$9,000 per megawatt hour on the morning of February 15, 2021 compared with less than \$50 per megawatt hour prior to the winter storm.

“We know from past experience that extreme weather events are going to happen here in Illinois, and they can be devastating. Through the NOI, we are seeking highly detailed information from utility service providers and operators about their response efforts and communication plans to ensure that they are adequately prepared and equipped to handle a weather related crisis with minimal impact on consumers,” said ICC Commissioner Michael T. Carrigan.

21-NOI-01 directs questions to natural gas, electric, water and sewer utilities in Illinois, independent system operators (ISOs) or regional transmission operators (RTOs), owners or operators of electric generation and natural gas pipelines located in Illinois, and to all interested parties.

The NOI schedule requires the submission of initial comments by June 14, 2021 and submission of reply comments by July 30, 2021. However, the NOI Manager is authorized to schedule further rounds of comments if she believes that additional comments would be helpful and may alter the schedule if necessary. The NOI Manager is Joy Nicdao-Cuyugan.

Respondents must submit an original and three copies of all comments, reply comments, and other documents to the Office of the Chief Clerk of the Commission. Interested persons and entities are also requested to email the same in electronic form (preferably Adobe pdf) to Joy.Nicdao-Cuyugan2@Illinois.gov. The NOI Manager will take steps to ensure that copies of all documents filed in the proceeding are posted to the Commission's website www.illinois.gov. Copies of all documents filed in the proceeding will be available for public inspection at the Office of the Chief Clerk of the Commission in Springfield and the Commission's Chicago office.

A Notice of Inquiry proceeding is not a rulemaking, and the information gathered may or may not form the basis for the initiation of rulemaking or other purposes.

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