-Why Rates for the Service

Furnished by the

Public Service Company of Northern Illinois

Had to be Raised

No one needs to be reminded that beginning with the Fall of 1914, prices for labor and material of all kinds began to advance, and this advance has been continuous. During this period of nearly six years, this Company has operated its properties without increasing its rates, except for wholesale power, wholesale gas and heating service. It was possible to continue to operate under these conditions only by the practice of the most rigid economy and utilization of the most economical units for the production of both electricity and gas.

In order that the Company might continue to render adequate service to its customers, it became apparent that the policy of selling its product at pre-war prices could not longer be pursued, and that the selling price of its product must be increased. Accordingly upon our application, filed May 6, 1920, the Public Utilities Commission of Illinois, by order entered July 31, 1920, (Cases 10569, 10570 and 10579), has granted an increase in our electric, gas and water rates, effective August 1, 1920.

The Commission, after consideration of the evidence submitted in support of our application, said in its order:

"Principal among the contentions advanced by the petitioner in support of its application for higher rates is the marked increase in operating expenses brought about by the great advance in the costs of labor and materials. In 1919 the Company used approximately 440,000 tons of boiler coal, 32,000 tons of gas coal, 56,000 tons of water gas generator fuel, and 10,000,000 gallons of enriching oil. A year ago bituminous coal for boiler fuel cost \$3.50 a ton at the plants of the company as compared with a present cost of \$4.48 a ton and an estimated cost after August 1, 1920, of about \$4.86 a ton. The company claims it is enabled to secure coal at somewhat less than the market price because of its interest in the mines of the Big Muddy Fuel Company in Wil-

liamson County, Illinois, and the Indiana Hocking Coal Coal Company in Sullivan, Indiana.

Until April, 1920, the Company purchased an excellent quality of Kanawha coke for use as generator fuel at a price of \$4.75 per ton at the ovens. This grade of coke can no longer be secured, and the company is now purchasing Connellsville Coke at \$15.50 per ton at the ovens, equivalent to about \$17.90 at the various plants.

Gas oil of superior quality which sold for 2 or 3 cents a gallon in the period from 1911 to 1915 can not now be secured, and the company is forced to use an inferior grade known as fuel oil, and even this can be obtained only with difficulty at prices varying from 10 to 12 cents a gallon, for necessary oil purchased on the open market."

The policy of this Company from its beginning and up until the Fall of 1914 had been to reduce the rate for its service, As soon as it is possible to materially reduce its cost of service, this Company will request the authorities having charge of rates, to authorize a lower rate than the rate now in effect.

Because of the scarcity and extremely high price of boiler fuel and gas making supplies, we earnestly urge all of our customers to exercise the utmost economy in the use of our service. If they adopt this course, it will not only help us, but it will go a long ways towards helping them in taking care of the increase in the rates.

PUBLIC SERVICE COMPANY

of Northern Illinois



Elgin F
Aug

CENTRA
Phone 1200

Full informatio

