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**To:** The Honorable Members of the Illinois Senate Energy and Public Utilities Committee

**Date:** September 17, 2025

**Subject:** High Electricity Prices

The National Federation of Independent Business (NFIB) is the largest small-business advocacy organization in Illinois and the nation, representing over 10,000 small-business owners in Illinois alone. NFIB member businesses are independently owned and reflect the diversity of Illinois' small-business community, including small businesses in retail, construction, transportation, hospitality, professional services, manufacturing, and agriculture.

Rising electricity prices are hurting Main Street businesses. This summer's acceleration of a multi-year trend of higher electricity rates in Illinois has hit small-business owners particularly hard.

According to NFIB's 2024 Problem and Priorities survey, the cost of electricity has emerged as a top issue for small businesses, with 16% ranking it as a "critical problem."

Higher electricity prices and fluctuating costs are forcing small-business owners to raise prices, delay investments, and cut staff, services, and hours.

In a recent survey of NFIB members in Illinois:

- 75% of respondents reported significant increases in electricity prices
- 10% of respondents reported moderate increases in electricity prices
- 7% of respondents reported mild increases in electricity prices

To reduce electricity costs in Illinois and allow small businesses to thrive, NFIB urges the Illinois General Assembly to adopt the following principles for future energy reforms:

1. Encourage competitive and open bidding for energy projects to reduce infrastructure build-out and maintenance costs.
2. Eliminate unnecessary administrative and regulatory hurdles and fees that drive up end-user costs and that delay investments in energy production.
3. Permit the use of proven, reliable, and cost-effective energy sources.

Small businesses operate on thin margins and lack the deep pockets of global corporations, making this a critical issue for Main Street. The next page includes firsthand accounts of how rising electricity prices are impacting Illinois small businesses.

Thank you for your support of Illinois' small-business community.



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*In your own words, how have energy price fluctuations impacted your business? How will you respond if prices continue to climb?*

- “I just let all my employees go to try and stay afloat. If bills continue to rise, I may be forced to close my doors or cut the amount of hours we are open.” (Retail Business in the Metro East)
- Will have to “[l]eave open positions unfilled.” (Manufacturer in Central Illinois)
- “Electricity for our 60-room hotel has gone up \$2500/mo. during the peak usage season. We cannot simply RAISE prices to combat this.” (Hotel in Eastern Illinois)
- “Reduced profits that are shared with employees. If this continues, their profit sharing will be reduced and we could lose staff.” (Retail Business in Northeastern Illinois)
- “Our costs have more than doubled. Going forward we will continue to look for ways to save costs in other areas and possibly reduce employee hours further.” (Manufacturer in Northeastern Illinois)
- “The dairy requires electricity to run everything. I’m not sure what we’re going to do.” (Farmer in Northern Illinois)
- “Energy costs have more than doubled. We are in health care, and patients need to be comfortable. To be able to afford the utilities we have raised the thermostat which can be uncomfortable for patients.” (Healthcare Provider in Eastern Illinois)
- “My prices have doubled in the last two months alone. I will probably have to close on certain days....” (Restaurant/Bar in Eastern Illinois)
- “We will be forced to raise our prices.” (Manufacturer in Northern Illinois)
- “Having to pay out of my own pocket. No earnings. I already shut down half of my business and scaled back my entire operation to try and make ends meet. I am using half the amount of energy I was earlier this year and my bill is almost double.... Super frustrating, super disheartening.” (Restaurant/Bar in Eastern Illinois)
- “Pay increases will not happen.” (Agriculture Business in Central Illinois)
- “We have taken advantage of energy savings surveys, replaced fluorescent fixtures with LED lighting, installed heat pumps for heat & AC, re-insulated some areas of buildings, and still experience increases monthly.” (Service Business in Eastern Illinois)
- “My business has a small profit margin, now it is even smaller.” (Mechanic in the Metro East)
- “Cut staff [or] stay open less hours.” (Restaurant/Bar in the Metro East)
- “I will reduce staff.” (Retail Business in the Metro East)
- “If something doesn't happen... will have close the doors....” (Food Processor in Central Illinois)
- “More prices will have to increase.” (Retail Business in Central Illinois)
- “Electricity has doubled, my gas bill has quadrupled—I've absorbed some of the costs but passing on small increases.” (Retail Business in Northern Illinois)
- “We will have to close our doors. We cannot raise prices....” (Mechanic in Southern Illinois)
- “Continue to raise price[s for] the services we offer.” (Service Business in Northern Illinois)
- “If something doesn't happen... will have close the doors....” (Food Processor in Central Illinois)
- “If it keeps up, possibly close business.” (Retail Business in Southern Illinois)
- “Utility expenses may drive me out of my business.” (Service Business in Central Illinois)

- “I will be forced to reduce labor costs and raise prices.” (Auto Shop in the Metro East)