**Section 275.20 Definitions**

As used herein, the term:

a) "Affiliate of a Public Utility" shall include any individual or corporation which directly or indirectly controls, or is controlled by, or is under common control with, a public utility;

b) "Electric and Gas Public Utility" shall have the meaning assigned to it in Section 3-105 of the Public Utilities Act (Ill. Rev. Stat. 1991, ch. 111⅔, par. 3-105) [220 ILCS 5/3-105];

c) "Promotional Practices or Allowances" shall mean:

1) Any payment, donation, gift, subsidy, conveyance, transfer or other consideration (whether in cash, property, merchandise, labor or as a guarantee) granted to any group, corporation or individual for the purpose or evident design of inducing the recipient to:

A) Purchase, select or use the service or additional service of the public utility;

B) Purchase or install equipment, facilities or appliances designed to use such utility service;

C) Specify the purchase or installation of equipment, facilities or appliances designed to use such utility service.

2) Subsections (c)(1)(A) through (c)(1)(C) above shall include, without limitation:

A) Free, or less than cost, installation, operation, repair, modification or maintenance of equipment, facilities or appliances of any other person;

B) Free, or less than cost, public utility service;

C) Free, or less than cost, non-utility professional service except payments to architects or engineers for feasibility studies made on behalf of the utilities;

D) Payment of cash or other considerations to architects, builders, subdividers, developers or others in the same category for work done on property not owned by the utility;

E) Less than cost financing of the purchase price of equipment, facilities or appliances;

F) Guarantees as to the maximum amount of bills for utility service;

G) Financing assistance – the extension of credit, making of a loan or investment, directly or indirectly, to any group, corporation or individual by any means whatsoever including, without limitation, loans, advances, guarantees, investments, leases, sale and repurchase or sale and lease-back agreements, sales on open account and conditional or installment sales contracts;

H) Discounts or allowances (including trade-in allowances, cash, merchandise or labor) for the purchase or service of air conditioning or heating equipment, stoves, refrigerators, washing machines, dryers or other appliances;

I) Installation of free, or less than cost, wiring, piping or other facilities on the customer's side of a service entrance;

J) Advertising or contributing to advertising on account of a customer or potential user of the utility's service.

3) Exceptions: Notwithstanding the foregoing definitions, the following shall not be considered as a promotional practice or allowance:

A) Making emergency repairs to equipment, facilities or appliances of customers;

B) Offering allowances or financing assistance to employees of the utility to encourage employees' use of the utility's service;

C) Ownership by the utility of equipment for the utilization of its service when such ownership is incidental to demonstrations of sixty days or less in duration;

D) Providing light bulbs, street or outdoor lighting service, service pipe or other service equipment or facilities, in accordance with rate schedules filed with and approved by the Commission;

E) Providing appliances to an educational institution for the purpose of instructing students in the use of such appliances;

F) Selling household appliances at retail and, in connection therewith, the holding of inventories, making and fulfillment of reasonable warranties against defects in material and workmanship existing at the time of delivery and the extension of credit, provided that the effective rate of interest on any deferred payments and the terms with respect thereto shall not be more favorable than those generally applicable to sales by non-utility dealers in such appliances, and provided that no such sale be made by the utility below its invoice cost and that no trade-in allowance in excess of market value may be made;

G) Any action consistent with such rules as the Commission may, from time to time, adopt with respect to standards of service, local ordinances, franchises and contributions;

H) As of January 1, 1994, practices or allowances which are part of a program designed to utilize economical means of conservation, non-conventional technologies relying on renewable energy resources, cogeneration, and improvement in energy efficiency as approved by the Commission as part of a utility's least-cost plan.

(Source: Expedited Correction at 17 Ill. Reg. 8902, effective January 1, 1993)