

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Public Utilities Act is amended by adding  
5 Section 8-306 and by changing Section 9-223 as follows:

6 (220 ILCS 5/8-306 new)

7 Sec. 8-306. Special provisions relating to water and sewer  
8 utilities.

9 (a) No later than 120 days after the effective date of this  
10 amendatory Act of the 94th General Assembly, the Commission  
11 shall prepare, make available to customers upon request, and  
12 post on its Internet web site information concerning the  
13 service obligations of water and sewer utilities and remedies  
14 that a customer may pursue for a violation of the customer's  
15 rights. The information shall specifically address the rights  
16 of a customer of a water or sewer utility in the following  
17 situations:

18 (1) The customer's water meter is replaced.

19 (2) The customer's bill increases by more than 50%  
20 within one billing period.

21 (3) The customer's water service is terminated.

22 (4) The customer wishes to complain after receiving a  
23 termination of service notice.

24 (5) The customer is unable to make payment on a billing  
25 statement.

26 (6) A rate is filed, including without limitation a  
27 surcharge or annual reconciliation filing, that will  
28 increase the amount billed to the customer.

29 (7) The customer is billed for services provided prior  
30 to the date covered by the billing statement.

31 (8) The customer is due to receive a credit.

32 Each billing statement issued by a water or sewer utility

1 shall include an Internet web site address where the customer  
2 can view the information required under this subsection (a) and  
3 a telephone number that the customer may call to request a copy  
4 of the information.

5 (b) A water or sewer utility may discontinue service only  
6 after it has mailed or delivered by other means a written  
7 notice of discontinuance substantially in the form of Appendix  
8 A of 83 Ill. Adm. Code 280. The notice must include the  
9 Internet web site address where the customer can view the  
10 information required under subsection (a) and a telephone  
11 number that the customer may call to request a copy of the  
12 information. Any notice required to be delivered or mailed to a  
13 customer prior to discontinuance of service shall be delivered  
14 or mailed separately from any bill. Service shall not be  
15 discontinued until at least 5 days after delivery or 8 days  
16 after the mailing of this notice. Service shall not be  
17 discontinued and shall be restored if discontinued for the  
18 reason which is the subject of a dispute or complaint during  
19 the pendency of informal or formal complaint procedures of the  
20 Illinois Commerce Commission under 83 Ill. Adm. Code 280.160 or  
21 280.170, where the customer has complied with those rules.  
22 Service shall not be discontinued and shall be restored if  
23 discontinued where a customer has established a deferred  
24 payment agreement pursuant to 83 Ill. Adm. Code 280.110 and has  
25 not defaulted on such agreement. Residential customers who are  
26 indebted to a utility for past due utility service shall have  
27 the opportunity to make arrangements with the utility to retire  
28 the debt by periodic payments, referred to as a deferred  
29 payment agreement, unless this customer has failed to make  
30 payment under such a plan during the past 12 months. The terms  
31 and conditions of a reasonable deferred payment agreement shall  
32 be determined by the utility after consideration of the  
33 following factors, based upon information available from  
34 current utility records or provided by the customer or  
35 applicant:

36 (1) size of the past due account;

- 1           (2) customer or applicant's ability to pay;
- 2           (3) customer or applicant's payment history;
- 3           (4) reason for the outstanding indebtedness; and
- 4           (5) any other relevant factors relating to the  
5           circumstances of the customer or applicant's service.

6           A residential customer shall pay a maximum of one-fourth of the  
7           amount past due and owing at the time of entering into the  
8           deferred payment agreement, and the water or sewer utility  
9           shall allow a minimum of 2 months from the date of the  
10           agreement and a maximum of 12 months for payment to be made  
11           under a deferred payment agreement. Late payment charges may be  
12           assessed against the amount owing that is the subject of a  
13           deferred payment agreement.

14           (c) A water or sewer utility shall provide notice as  
15           required by subsection (a) of Section 9-201 after the filing of  
16           each information sheet under a purchased water surcharge,  
17           purchased sewage treatment surcharge, or qualifying  
18           infrastructure plant surcharge. The utility also shall post  
19           notice of the filing in accordance with the requirements of 83  
20           Ill. Adm. Code 255. Unless filed as part of a general rate  
21           increase, notice of the filing of a purchased water surcharge  
22           rider, purchased sewage treatment surcharge rider, or  
23           qualifying infrastructure plant surcharge rider also shall be  
24           given in the manner required by this subsection (c) for the  
25           filing of information sheets.

26           (d) Commission rules pertaining to formal and informal  
27           complaints against public utilities shall apply with full and  
28           equal force to water and sewer utilities and their customers,  
29           including provisions of 83 Ill. Adm. Code 280.170, and the  
30           Commission shall respond to each complaint by providing the  
31           consumer with a copy of the utility's response to the complaint  
32           and a copy of the Commission's review of the complaint and its  
33           findings. The Commission shall also provide the consumer with  
34           all available options for recourse.

35           (e) Any refund shown on the billing statement of a customer  
36           of a water or sewer utility must be itemized and must state if

1 the refund is an adjustment or credit.

2 (f) Water service for building construction purposes. At  
3 the request of any municipality or township within the service  
4 area of a public utility that provides water service to  
5 customers within the municipality or township, a public utility  
6 must (1) require all water service used for building  
7 construction purposes to be measured by meter and subject to  
8 approved rates and charges for metered water service and (2)  
9 prohibit the unauthorized use of water taken from hydrants or  
10 service lines installed at construction sites.

11 (g) Water meters.

12 (1) Periodic testing. Unless otherwise approved by the  
13 Commission, each service water meter shall be periodically  
14 inspected and tested in accordance with the schedule  
15 specified in 83 Ill. Adm. Code 600.340, or more frequently  
16 as the results may warrant, to insure that the meter  
17 accuracy is maintained within the limits set out in 83 Ill.  
18 Adm. Code 600.310.

19 (2) Meter tests requested by customer.

20 (A) Each utility furnishing metered water service  
21 shall, without charge, test the accuracy of any meter  
22 upon request by the customer served by such meter,  
23 provided that the meter in question has not been tested  
24 by the utility or by the Commission within 2 years  
25 previous to such request. The customer or his or her  
26 representatives shall have the privilege of witnessing  
27 the test at the option of the customer. A written  
28 report, giving the results of the test, shall be made  
29 to the customer.

30 (B) When a meter that has been in service less than  
31 2 years since its last test is found to be accurate  
32 within the limits specified in 83 Ill. Adm. Code  
33 600.310, the customer shall pay a fee to the utility  
34 not to exceed the amounts specified in 83 Ill. Adm.  
35 Code 600.350(b). Fees for testing meters not included  
36 in this Section or so located that the cost will be out

1 of proportion to the fee specified will be determined  
2 by the Commission upon receipt of a complete  
3 description of the case.

4 (3) Commission referee tests. Upon written application  
5 to the Commission by any customer, a test will be made of  
6 the customer's meter by a representative of the Commission.  
7 For such a test, a fee as provided for in subsection (g) (2)  
8 shall accompany the application. If the meter is found to  
9 be registering more than 1.5% fast on the average when  
10 tested as prescribed in 83 Ill. Adm. Code 600.310, the  
11 utility shall refund to the customer the amount of the fee.  
12 The utility shall in no way disturb the meter after a  
13 customer has made an application for a referee test until  
14 authority to do so is given by the Commission or the  
15 customer in writing.

16 (h) Water and sewer utilities; low usage. Each public  
17 utility that provides water and sewer service must establish a  
18 unit sewer rate, subject to review by the Commission, that  
19 applies only to those customers who use less than 1,000 gallons  
20 of water in any billing period.

21 (i) Water and sewer utilities; separate meters. Each public  
22 utility that provides water and sewer service must offer  
23 separate rates for water and sewer service to any commercial or  
24 residential customer who uses separate meters to measure each  
25 of those services. In order for the separate rate to apply, a  
26 combination of meters must be used to measure the amount of  
27 water that reaches the sewer system and the amount of water  
28 that does not reach the sewer system.

29 (j) Each water or sewer public utility must disclose on  
30 each billing statement any amount billed that is for service  
31 provided prior to the date covered by the billing statement.  
32 The disclosure must include the dates for which the prior  
33 service is being billed. Each billing statement that includes  
34 an amount billed for service provided prior to the date covered  
35 by the billing statement must disclose the dates for which that  
36 amount is billed and must include a copy of the document

1 created under subsection (a) and a statement of current  
2 Commission rules concerning unbilled or misbilled service.

3 (k) When the customer is due a refund resulting from  
4 payment of an overcharge, the utility shall credit the customer  
5 in the amount of overpayment with interest from the date of  
6 overpayment by the customer. The rate for interest shall be at  
7 the appropriate rate determined by the Commission under 83 Ill.  
8 Adm. Code 280.70.

9 (l) Water and sewer public utilities; subcontractors. The  
10 Commission shall adopt rules for water and sewer public  
11 utilities to provide notice to the customers of the proper kind  
12 of identification that a subcontractor must present to the  
13 customer, to prohibit a subcontractor from soliciting or  
14 receiving payment of any kind for any service provided by the  
15 water or sewer public utility or the subcontractor, and to  
16 establish sanctions for violations.

17 (m) Water and sewer public utilities; unaccounted-for  
18 water. By December 31, 2006, each water public utility shall  
19 file tariffs with the Commission to establish the maximum  
20 percentage of unaccounted-for water that would be considered in  
21 the determination of any rates or surcharges. The rates or  
22 surcharges approved for a water public utility shall not  
23 include charges for unaccounted-for water in excess of this  
24 maximum percentage without well-documented support and  
25 justification for the Commission to consider in any request to  
26 recover charges in excess of the tariffed maximum percentage.

27 (n) Rate increases; public forums. When any public utility  
28 providing water or sewer service proposes a general rate  
29 increase, in addition to other notice requirements, the water  
30 or sewer public utility must notify its customers of their  
31 right to request a public forum. A customer or group of  
32 customers must make written request to the Commission for a  
33 public forum and must also provide written notification of the  
34 request to the customer's municipal or, for unincorporated  
35 areas, township government. The Commission, at its discretion,  
36 may schedule the public forum. If it is determined that public

1 forums are required for multiple municipalities or townships,  
2 the Commission shall schedule these public forums, in locations  
3 within approximately 45 minutes drive time of the  
4 municipalities or townships for which the public forums have  
5 been scheduled. The public utility must provide advance notice  
6 of 30 days for each public forum to the governing bodies of  
7 those units of local government affected by the increase. The  
8 day of each public forum shall be selected so as to encourage  
9 the greatest public participation. Each public forum will begin  
10 at 7:00 p.m. Reports and comments made during or as a result of  
11 each public forum must be made available to the hearing  
12 officials and reviewed when drafting a recommended or tentative  
13 decision, finding or order pursuant to Section 10-111 of this  
14 Act.

15 (220 ILCS 5/9-223) (from Ch. 111 2/3, par. 9-223)

16 Sec. 9-223. Fire protection charge.

17 (a) The Commission may authorize any public utility engaged  
18 in the production, storage, transmission, sale, delivery or  
19 furnishing of water to impose a fire protection charge, in  
20 addition to any rate authorized by this Act, sufficient to  
21 cover a reasonable portion of the cost of providing the  
22 capacity, facilities and the water necessary to meet the fire  
23 protection needs of any municipality or public fire protection  
24 district. Such fire protection charge shall be in the form of a  
25 fixed amount per bill and shall be shown separately on the  
26 utility bill of each customer of the municipality or fire  
27 protection district. Any filing by a public utility to impose  
28 such a fire protection charge or to modify a charge shall be  
29 made pursuant to Section 9-201 of this Act. Any fire protection  
30 charge imposed shall reflect the costs associated with  
31 providing fire protection service for each municipality or fire  
32 protection district. No such charge shall be imposed directly  
33 on any municipality or fire protection district for a  
34 reasonable level of fire protection services unless provided  
35 for in a separate agreement between the municipality or the

1 fire protection district and the utility.

2 (b) By December 31, 2007, the Commission shall conduct at  
3 least 3 public forums to evaluate the purpose and use of each  
4 fire protection charge imposed under this Section. At least one  
5 forum must be held in northern Illinois, at least one forum  
6 must be held in central Illinois, and at least one forum must  
7 be held in southern Illinois. The Commission must invite a  
8 representative from each municipality and fire protection  
9 district affected by a fire protection charge under this  
10 Section to attend a public forum. The Commission shall report  
11 its findings concerning recommendations concerning the purpose  
12 and use of each fire protection charge to the General Assembly  
13 no later than the last day of the veto session in 2008.

14 (Source: P.A. 84-617.)

15 Section 99. Effective date. This Act takes effect upon  
16 becoming law.