



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB4125

Introduced 2/27/2009, by Rep. Marlow H. Colvin

SYNOPSIS AS INTRODUCED:

220 ILCS 5/16-111.7 new
220 ILCS 5/16-111.9 new

Amends the Public Utilities Act. Contains provisions concerning financial assistance and payment plans that are approved by the Commission for low-income customers. Specifies the requirements for the financial assistance and payment plans. Provides that an electric utility shall be permitted to recover all of its uncollectibles through an automatic adjustment clause tariff. Effective immediately.

LRB096 09064 MJR 19205 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning utilities.

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 Sections 16-111.7 and 16-111.9 as follows:

6 (220 ILCS 5/16-111.7 new)

7 Sec. 16-111.7. Financial assistance; payment plans.

8 (a) Notwithstanding any other provision of this Act, an
9 electric utility may offer programs that are approved by the
10 Commission specifically designed to provide bill payment
11 assistance to low-income customers. The programs may be
12 designed in a number of ways, including, but not limited to,
13 flat grants, forgiveness of past due amounts in exchange for
14 regular payments, percentage of income payments, energy
15 efficiency and demand-response measures, and education. After
16 receiving a request from an electric utility for the approval
17 of a proposed program pursuant to this Section, the Commission
18 shall render its decision within 120 days. If no decision is
19 rendered within 120 days, then the request shall be deemed to
20 be approved.

21 (b) If an electric utility elects to offer programs under
22 this Section, the utility must first offer a Percentage of
23 Income Payment Plan (PIP Plan) that has been approved by the

1 Commission and that contains the following components:

2 (1) The electric utility shall coordinate with the
3 Department of Healthcare and Family Services (Department)
4 to identify eligible participants, which shall be based on
5 the same criteria established by the Department to
6 determine eligibility for the Illinois Low Income Home
7 Energy Assistance Program (LIHEAP) pursuant to the Energy
8 Assistance Act.

9 (2) The electric utility, in conjunction with the
10 Department, shall establish the percentage of income
11 formula that will be applied to PIP Plan participants'
12 electric utility bills to determine the portion of the bill
13 that is the responsibility of the participant.

14 (3) The Department shall remit to the electric utility
15 that portion of the PIP Plan participant's bill that is not
16 the responsibility of the participant; in the event that
17 the Department fails to remit payment to the electric
18 utility as required by this Section, the utility shall be
19 entitled to recover all costs related to nonpayment through
20 the automatic adjustment clause tariff established
21 pursuant to Section 16-111.9 of this Act, and the
22 limitations of subsection (c) of this Section shall not
23 apply.

24 (4) For each month that a PIP Plan participant pays its
25 electric utility bill on time, the electric utility shall
26 apply a credit to a portion of the participant's arrearage,

1 if any, and costs shall be recoverable by the utility
2 pursuant to subsection (c) of this Section.

3 (5) A PIP Plan participant shall no longer be eligible
4 for the PIP Plan if the participant fails to make an on
5 time payment in any given month.

6 (6) Subsequent to Commission approval, the electric
7 utility shall have the discretion to adjust the number of
8 program participants, the percentage of income formula,
9 and the amount of arrearages credits in order to add
10 additional programs or control annual expenditures under
11 this Section.

12 (c) An electric utility shall recover all of the costs it
13 incurs in offering programs approved by the Commission pursuant
14 to this Section, including all start-up and administrative
15 costs, provided that the costs do not exceed \$10 million
16 annually. All costs incurred under this Section shall be
17 recovered from the electric utility's retail customers through
18 an automatic adjustment clause tariff filed with and approved
19 by the Commission.

20 (d) In the event an electric utility offering programs
21 under this Section elects to discontinue a program, it shall
22 provide 60 days notice both (i) to program participants through
23 a bill insert and (ii) to the Commission through an
24 informational filing.

1 Sec. 16-111.9. Automatic adjustment clause tariff;
2 uncollectibles. An electric utility shall be permitted to
3 recover all of its uncollectibles through an automatic
4 adjustment clause tariff. The tariff shall be established
5 outside the context of a general rate case. An electric utility
6 may file a compliant tariff within 45 days after the effective
7 date of this amendatory Act of the 96th General Assembly. The
8 Commission shall conclude any investigation of the tariff
9 within 45 days after the date on which it is filed. An approved
10 tariff shall be applicable beginning with the utility's next
11 monthly billing period commencing at least 15 days after the
12 date of approval. Thereafter, the Commission shall annually
13 initiate a review to reconcile any amounts collected with
14 actual uncollectibles in the prior annual period and to
15 determine any required adjustment to account for any difference
16 in those amounts. Nothing in this Section or the implementing
17 tariffs shall affect or alter the electric utility's existing
18 obligation to pursue collection of uncollectibles or the
19 electric utility's right to disconnect service.

20 Section 99. Effective date. This Act takes effect upon
21 becoming law.