

# SB0465



## 99TH GENERAL ASSEMBLY

### State of Illinois

2015 and 2016

**SB0465**

Introduced 1/28/2015, by Sen. John J. Cullerton

#### SYNOPSIS AS INTRODUCED:

220 ILCS 5/8-304

from Ch. 111 2/3, par. 8-304

Amends the Public Utilities Act. Makes a technical change in a Section concerning estimated billing practices.

LRB099 03204 HAF 23212 b

A BILL FOR

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 changing  
5 Section 8-304 as follows:

6 (220 ILCS 5/8-304) (from Ch. 111 2/3, par. 8-304)

7 Sec. 8-304. The ~~The~~ Commission shall conduct a  
8 comprehensive study of the estimated billing practices and  
9 policies of each major public utility providing gas or electric  
10 service. The study shall include, but not be limited to:

11 (a) an analysis of the extent to which estimated billing  
12 has occurred in each of the past 10 years and the extent to  
13 which it currently occurs and is expected to occur in the  
14 foreseeable future. Such analysis shall, to the fullest extent  
15 possible, include an examination of the circumstances in which  
16 estimated billing most frequently occurs, by time of year,  
17 geographical location, and customer class or group. Such  
18 analysis shall also specifically identify the frequency of  
19 consecutively estimated bills;

20 (b) an analysis of the reasons for estimated billing in  
21 general, the reasons for any change over time in the frequency  
22 of estimated billing, and the reason for any higher than  
23 average frequency of estimated billing during certain times of

1 year, in certain geographical areas, or for particular customer  
2 classes or groups;

3 (c) an analysis of the method used to establish the amount  
4 of an estimated bill and the extent to which such method  
5 reflects changes in usage due to weather and customer  
6 conservation efforts;

7 (d) an analysis of the extent to which the method used to  
8 establish the amount of an estimated bill accurately  
9 approximates actual usage and the extent to which estimated  
10 bills differ from actual usage and bills;

11 (e) an analysis of the extent to which the frequency of  
12 estimated billing and any inaccuracies resulting from the  
13 method of establishing the amount of an estimated bill,  
14 including make-up billing, contribute to customers'  
15 unwillingness or inability to pay utility bills and the  
16 utility's inability to collect actual amounts due and owing;

17 (f) identification of any and all means currently used to  
18 minimize the frequency of estimated bills and any inaccuracies  
19 in estimation methods, and a critical assessment of the  
20 adequacy and effectiveness of such means;

21 (g) identification of any incentives which exist and which  
22 tend to encourage or discourage the use of estimated billing by  
23 utilities;

24 (h) identification and critical assessment of all  
25 alternative incentives and means by which the frequency of  
26 estimated billing and the inaccuracies of estimation

1 procedures can be minimized, and estimation procedures  
2 improved, giving consideration to the cost to the utilities,  
3 including, but not limited to,

4 (i) requiring the use of outside meters;

5 (ii) requiring utilities to read meters monthly;

6 (iii) requiring utilities to pay interest on the difference  
7 between an estimated bill and the actual amount due, where the  
8 customer pays the estimated bill, and the estimated bill  
9 exceeds the actual amount due for such period of time.

10 The completed study shall be subject to hearing and  
11 comment. Thereafter, the Commission shall initiate rulemaking  
12 proceedings to promulgate such rules as it believes reasonable  
13 and necessary to ensure the minimization of the frequency of  
14 estimated billing and the increased accuracy of estimation  
15 procedures. The study shall also be provided to the General  
16 Assembly together with any specific recommendations for  
17 legislation which the Commission believes necessary or  
18 beneficial.

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