

HB0686



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB0686

Introduced 01/31/11, by Rep. Michael J. Madigan

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.

LRB097 03514 ASK 43551 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.)