



## 97TH GENERAL ASSEMBLY

### State of Illinois

2011 and 2012

**HB3419**

Introduced 2/24/2011, by Rep. William Davis

#### SYNOPSIS AS INTRODUCED:

220 ILCS 5/8-206  
220 ILCS 5/8-207

from Ch. 111 2/3, par. 8-206  
from Ch. 111 2/3, par. 8-207

Amends the Public Utilities Act. Provides that notwithstanding any other provision of the Act, no electric or gas public utility shall disconnect service to a residential customer or consider a residential customer in violation of his or her deferred payment arrangement if the residential customer has made the required payment by or on the due date, but his or her payment was not recorded as made on time as a result of a policy or a technical error on the part of the electric or gas public utility. Provides that "payment by or on the due date" includes payment at any time on the day on which the required payment is owed.

LRB097 05523 ASK 45584 b

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 Sections 8-206 and 8-207 as follows:

6 (220 ILCS 5/8-206) (from Ch. 111 2/3, par. 8-206)

7 Sec. 8-206. Winter termination for nonpayment.

8 (a) Notwithstanding any other provision of this Act, no  
9 electric or gas public utility shall disconnect service to any  
10 residential customer or mastermeters apartment building for  
11 nonpayment of a bill or deposit where gas or electricity is  
12 used as the primary source of space heating or is used to  
13 control or operate the primary source of space heating  
14 equipment at the premises during the period of time from  
15 December 1 through and including March 31 of the immediately  
16 succeeding calendar year, unless:

17 (1) The utility (i) has offered the customer a deferred  
18 payment arrangement allowing for payment of past due  
19 amounts over a period of not less than 4 months not to  
20 extend beyond the following November and the option to  
21 enter into a levelized payment plan for the payment of  
22 future bills. The maximum down payment requirements shall  
23 not exceed 10% of the amount past due and owing at the time

1 of entering into the agreement; and (ii) has provided the  
2 customer with the names, addresses and telephone numbers of  
3 governmental and private agencies which may provide  
4 assistance to customers of public utilities in paying their  
5 utility bills; the utility shall obtain the approval of an  
6 agency before placing the name of that agency on any list  
7 which will be used to provide such information to  
8 customers;

9 (2) The customer has refused or failed to enter into a  
10 deferred payment arrangement as described in paragraph (1)  
11 of this subsection (a); and

12 (3) All notice requirements as provided by law and  
13 rules or regulations of the Commission have been met.

14 (b) Prior to termination of service for any residential  
15 customer or mastermeters apartment building during the period  
16 from December 1 through and including March 31 of the  
17 immediately succeeding calendar year, all electric and gas  
18 public utilities shall, in addition to all other notices:

19 (1) Notify the customer or an adult residing at the  
20 customer's premises by telephone, a personal visit to the  
21 customer's premises or by first class mail, informing the  
22 customer that:

23 (i) the customer's account is in arrears and the  
24 customer's service is subject to termination for  
25 nonpayment of a bill;

26 (ii) the customer can avoid disconnection of

1 service by entering into a deferred payment agreement  
2 to pay past due amounts over a period not to extend  
3 beyond the following November and the customer has the  
4 option to enter into a levelized payment plan for the  
5 payment of future bills;

6 (iii) the customer may apply for any available  
7 assistance to aid in the payment of utility bills from  
8 any governmental or private agencies from the list of  
9 such agencies provided to the customer by the utility.

10 Provided, however, that a public utility shall be  
11 required to make only one such contact with the customer  
12 during any such period from December 1 through and  
13 including March 31 of the immediately succeeding calendar  
14 year.

15 (2) Each public utility shall maintain records which  
16 shall include, but not necessarily be limited to, the  
17 manner by which the customer was notified and the time,  
18 date and manner by which any prior but unsuccessful  
19 attempts to contact were made. These records shall also  
20 describe the terms of the deferred payment arrangements  
21 offered to the customer and those entered into by the  
22 utility and customers. These records shall indicate the  
23 total amount past due, the down payment, the amount  
24 remaining to be paid and the number of months allowed to  
25 pay the outstanding balance. No public utility shall be  
26 required to retain records pertaining to unsuccessful

1 attempts to contact or deferred payment arrangements  
2 rejected by the customer after such customer has entered  
3 into a deferred payment arrangement with such utility.

4 (c) No public utility shall disconnect service for  
5 nonpayment of a bill until the lapse of 6 business days after  
6 making the notification required by paragraph (1) of subsection  
7 (b) so as to allow the customer an opportunity to:

8 (1) Enter into a deferred payment arrangement and the  
9 option to enter into a levelized payment plan for the  
10 payment of future bills.

11 (2) Contact a governmental or private agency that may  
12 provide assistance to customers for the payment of public  
13 utility bills.

14 (d) Any residential customer who enters into a deferred  
15 payment arrangement pursuant to this Act, and subsequently  
16 during that period of time set forth in subsection (a) becomes  
17 subject to termination, shall be given notice as required by  
18 law and any rule or regulation of the Commission prior to  
19 termination of service.

20 (e) During that time period set forth in subsection (a), a  
21 utility shall not require a down payment for a deposit from a  
22 residential customer in excess of 20% of the total deposit  
23 requested. An additional 4 months shall be allowed to pay the  
24 remainder of the deposit. This provision shall not apply to  
25 mastermeters apartment buildings or other nonresidential  
26 customers.

1           (f) During that period of time set forth in subsection (a),  
2 no utility may refuse to offer a deferred payment agreement to  
3 a residential customer who has defaulted on such an agreement  
4 within the past 12 months. However, no utility shall be  
5 required to enter into more than one deferred payment  
6 arrangement under this Section with any residential customer or  
7 mastermeters apartment building during the period from  
8 December 1 through and including March 31 of the immediately  
9 succeeding calendar year.

10           (g) In order to enable customers to take advantage of  
11 energy assistance programs, customers who can demonstrate that  
12 their applications for a local, state or federal energy  
13 assistance program have been approved may request that the  
14 amount they will be entitled to receive as a regular energy  
15 assistance payment be deducted and set aside from the amount  
16 past due on which they make deferred payment arrangements.  
17 Payment on the set-aside amount shall be credited when the  
18 energy assistance voucher or check is received, according to  
19 the utility's common business practice.

20           (h) In no event shall any utility send a final notice to  
21 any customer who has entered into a current deferred payment  
22 agreement and has not defaulted on that deferred payment  
23 agreement, unless the final notice pertains to a deposit  
24 request.

25           (i) Each utility shall include with each disconnection  
26 notice sent during the period for December 1 through and

1 including March 31 of the immediately succeeding calendar year  
2 to a residential customer an insert explaining the above  
3 provisions and providing a telephone number of the utility  
4 company which the consumer may call to receive further  
5 information.

6 (j) Each utility shall file with the Commission prior to  
7 December 1 of each year a plan detailing the implementation of  
8 this Section. This plan shall contain, but not be limited to:

9 (1) a description of the methods to be used to notify  
10 residential customers as required in this Section,  
11 including the forms of written and oral notices which shall  
12 be required to include all the information contained in  
13 subsection (b) of this Section.

14 (2) a listing of the names, addresses and telephone  
15 numbers of governmental and private agencies which may  
16 provide assistance to residential customers in paying  
17 their utility bills.

18 (3) the program of employee education and information  
19 which shall be used by the company in the implementation of  
20 this Section.

21 (4) a description of methods to be utilized to inform  
22 residential customers of those governmental and private  
23 agencies and current and planned methods of cooperation  
24 with those agencies to identify the customers who qualify  
25 for assistance in paying their utility bills.

26 A utility which has a plan on file with the Commission need

1 not resubmit a new plan each year. However, any alteration of  
2 the plan on file must be submitted and approved prior to  
3 December 1 of any year.

4 All plans are subject to review and approval by the  
5 Commission. The Commission may direct a utility to alter its  
6 plan to comply with the requirements of this Section.

7 (k) Notwithstanding any other provision of this Act, no  
8 electric or gas public utility shall disconnect service to any  
9 residential customer who is a participant under Section 6 of  
10 the Energy Assistance Act for nonpayment of a bill or deposit  
11 where gas or electricity is used as the primary source of space  
12 heating or is used to control or operate the primary source of  
13 space heating equipment at the premises during the period of  
14 time from December 1 through and including March 31 of the  
15 immediately succeeding calendar year.

16 (l) Notwithstanding any other provision of this Act, no  
17 electric or gas public utility shall disconnect service to a  
18 residential customer or consider a residential customer in  
19 violation of his or her deferred payment arrangement if the  
20 residential customer has made the required payment by or on the  
21 due date, but his or her payment was not recorded as made on  
22 time as a result of a policy or a technical error on the part of  
23 the electric or gas public utility. For purposes of this  
24 subsection (l), "payment by or on the due date" includes  
25 payment at any time on the day on which the required payment is  
26 owed.



1 (Source: P.A. 95-331, eff. 8-21-07; 95-876, eff. 8-21-08.)

2 (220 ILCS 5/8-207) (from Ch. 111 2/3, par. 8-207)

3 Sec. 8-207. Any former residential customer whose gas or  
4 electric service was used to provide or control the primary  
5 source of space heating in the dwelling and whose service is  
6 disconnected for nonpayment of a bill or a deposit from  
7 December 1 of the prior winter's heating season through April 1  
8 of the current heating season shall be eligible for  
9 reconnection and a deferred payment arrangement under the  
10 provisions of this Section, subject to the following  
11 limitations:

12 A utility shall not be required to reconnect service to,  
13 and enter into a deferred payment arrangement with, a former  
14 customer under the provisions of this Section (1) except  
15 between November 1 and April 1 of the current heating season  
16 for former customers who do not have applications pending for  
17 the program described in Section 6 of the Energy Assistance  
18 Act, and except between October 1 and April 1 of the current  
19 heating season for all former customers who do have  
20 applications pending for the program described in Section 6 of  
21 the Energy Assistance Act and who provide proof of application  
22 to the utility, (2) in 2 consecutive years, (3) unless that  
23 former customer has paid at least 33 1/3% of the amount billed  
24 for utility service rendered by that utility subsequent to  
25 December 1 of the prior year, or (4) in any instance where the

1 utility can show there has been tampering with the utility's  
2 wires, pipes, meters (including locking devices), or other  
3 service equipment and further shows that the former customer  
4 enjoyed the benefit of utility service obtained in the  
5 aforesaid manner.

6 The terms and conditions of any deferred payment  
7 arrangements established by the utility and a former customer  
8 shall take into consideration the following factors, based upon  
9 information available from current utility records or provided  
10 by the former customer:

- 11 (1) the amount past due;
- 12 (2) the former customer's ability to pay;
- 13 (3) the former customer's payment history;
- 14 (4) the reasons for the accumulation of the past due  
15 amounts; and
- 16 (5) any other relevant factors relating to the former  
17 customer's circumstances.

18 After the former customer's eligibility has been  
19 established in accordance with the first paragraph of this  
20 Section and, upon the establishment of a deferred payment  
21 agreement, the former customer shall pay 1/3 of the amount past  
22 due (including reconnecting charge, if any) and 1/3 of any  
23 deposit required by the utility.

24 Upon the payment of 1/3 of the amount past due and 1/3 of  
25 any deposit required by the utility, the former customer's  
26 service shall be reconnected as soon as possible. The company

1 and the former customer shall agree to a payment schedule for  
2 the remaining balances which will reasonably allow the former  
3 customer to make the payments on the remainder of the deposit  
4 and the past due balance while paying current bills during the  
5 winter heating season. However, the utility is not obliged to  
6 make payment arrangements extending beyond the following  
7 November. The utility shall allow the former customer a minimum  
8 of 4 months in which to retire the past due balance and 3  
9 months in which to pay the remainder of the deposit. The former  
10 customer shall also be informed that payment on the amounts  
11 past due and the deposit, if any, plus the current bills must  
12 be paid by the due date or the customer may face termination of  
13 service pursuant to this Section and Section 8-206.

14 The Commission shall develop rules to govern the  
15 reconnection of a former customer who demonstrates a financial  
16 inability to meet the requirement of 1/3 of the amount past due  
17 and 1/3 of any deposit requested by the utility. The  
18 Commission's rules shall establish a means by which the former  
19 customer's utility service may be reconnected through the  
20 payment of a reasonable amount and upon entering into a  
21 deferred payment agreement.

22 Any payment agreement made shall be in writing, with a copy  
23 provided to the former customer. The renegotiation and  
24 reinstatement of a customer and the establishment of a budget  
25 payment plan shall be pursuant to rules established by the  
26 Commission.

1       Notwithstanding any other provision of this Act, no  
2 electric or gas public utility shall disconnect service to a  
3 residential customer or consider a residential customer in  
4 violation of his or her deferred payment arrangement if the  
5 residential customer has made the required payment by or on the  
6 due date, but his or her payment was not recorded as made on  
7 time as a result of a policy or a technical error on the part of  
8 the electric or gas public utility. For purposes of this  
9 Section, "payment by or on the due date" includes payment at  
10 any time on the day on which the required payment is owed.

11       Not later than September 15 of each year, every gas and  
12 electric utility shall conduct a survey of all former  
13 residential customers whose gas or electric service was used to  
14 provide or control the primary source of space heating in the  
15 dwelling and whose gas or electric service was terminated for  
16 nonpayment of a bill or deposit from December 1 of the previous  
17 year to September 15 of that year and where service at that  
18 premises has not been restored. Not later than October 1 of  
19 each year the utility shall notify each of these former  
20 customers that the gas or electric service will be restored by  
21 the company for the coming heating season if the former  
22 customer contacts the utility and makes arrangements with the  
23 utility for reconnection of service under the conditions set  
24 forth in this Section. A utility shall notify the former  
25 customer or an adult member of the household by personal visit,  
26 telephone contact or mailing of a letter by first class mail to

1 the last known address of that former customer. The utility  
2 shall keep records which would indicate the date, form and the  
3 results of such contact.

4 Each gas and electric utility which has former customers  
5 affected by this Section shall file reports with the Commission  
6 providing such information as the Commission may deem  
7 appropriate. The Commission shall notify each gas and electric  
8 utility prior to August 1 of each year concerning the  
9 information which is to be included in the report for that  
10 year.

11 In no event shall any actions taken by a utility in  
12 compliance with this Section be deemed to abrogate or in any  
13 way interfere with the utility's rights to pursue the normal  
14 collection processes otherwise available to it.

15 The Commission shall promulgate rules to implement this  
16 Section.

17 (Source: P.A. 92-690, eff. 7-18-02.)