



## 95TH GENERAL ASSEMBLY

### State of Illinois

2007 and 2008

HB2080

Introduced 2/26/2007, by Rep. Michael J. Madigan - Barbara Flynn Currie - Annazette Collins

#### SYNOPSIS AS INTRODUCED:

220 ILCS 5/9-220.2

Amends the Public Utilities Act. Makes a technical change in a Section concerning authorization of water and sewer surcharges by the Illinois Commerce Commission.

LRB095 01536 MJR 21538 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 Section 9-220.2 as follows:

6 (220 ILCS 5/9-220.2)

7 Sec. 9-220.2. Water and sewer surcharges authorized.

8 (a) The ~~The~~ Commission may authorize a water or sewer  
9 utility to file a surcharge which adjusts rates and charges to  
10 provide for recovery of (i) the cost of purchased water, (ii)  
11 the cost of purchased sewage treatment service, (iii) other  
12 costs which fluctuate for reasons beyond the utility's control  
13 or are difficult to predict, or (iv) costs associated with an  
14 investment in qualifying infrastructure plant, independent of  
15 any other matters related to the utility's revenue requirement.  
16 A surcharge approved under this Section can operate on an  
17 historical or a prospective basis.

18 (b) For purposes of this Section, "costs associated with an  
19 investment in qualifying infrastructure plant" include a  
20 return on the investment in and depreciation expense related to  
21 plant items or facilities (including, but not limited to,  
22 replacement mains, meters, services, and hydrants) which (i)  
23 are not reflected in the rate base used to establish the

1 utility's base rates and (ii) are non-revenue producing. For  
2 purposes of this Section, a "non-revenue producing facility" is  
3 one that is not constructed or installed for the purpose of  
4 serving a new customer.

5 (c) On a periodic basis, the Commission shall initiate  
6 hearings to reconcile amounts collected under each surcharge  
7 authorized pursuant to this Section with the actual prudently  
8 incurred costs recoverable for each annual period during which  
9 the surcharge was in effect.

10 (Source: P.A. 91-638, eff. 1-1-00.)