



Sen. Don Harmon

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09600HB5378sam002

LRB096 17902 AMC 39908 a

1 AMENDMENT TO HOUSE BILL 5378

2 AMENDMENT NO. _____. Amend House Bill 5378, on page 1,
3 line 5, immediately before "as follows", by inserting "and by
4 adding Section 19-150"; and

5 on page 7, immediately above line 26, by inserting the
6 following:

7 "(220 ILCS 5/19-150 new)

8 Sec. 19-150. Purchase of receivables. A gas utility with
9 more than 100,000 customers that offers transportation service
10 to residential and small commercial customers shall file a
11 tariff pursuant to Article IX of this Act within 6 months after
12 the effective date of this amendatory Act of the 96th General
13 Assembly that provides alternative gas suppliers with the
14 option to have the gas utility purchase their receivables for
15 gas supply service provided to residential retail customers and
16 small commercial customers as those terms are defined in

1 Section 19-105 of this Act. Receivables for gas supply service
2 of alternative gas suppliers shall be purchased by the gas
3 utility at a just and reasonable discount rate to be reviewed
4 and approved by the Commission after notice and hearing. In
5 making a just and reasonable determination on the discount
6 rate, the Commission shall consider the gas utility's
7 historical bad debt experience, reasonable start up costs and
8 administrative costs associated with the gas utility's
9 purchase of receivables, the impact if used by the gas utility
10 of an automatic adjustment clause tariff pursuant to Section
11 19-140 of this Act to recover uncollectible expense, and
12 whether the gas utility recovers uncollectible expense from
13 customers of alternative gas suppliers through any of its
14 existing rates or charges. The tariff filed pursuant to this
15 Section shall include the formula used to derive the discount
16 rate as well as the actual discount rate for the initial
17 period. The discount rate filed pursuant to this Section shall
18 be subject to periodic Commission review. The gas utility
19 retains the right to impose the same terms on retail customers
20 supplied by alternative gas suppliers with respect to credit
21 and collection, including requests for deposits, and retain the
22 gas utility's right to disconnect the retail customers, if it
23 does not receive payment for its tariffed services or purchased
24 receivables, in the same manner that it would be permitted to
25 if the retail customers purchased gas supply service from the
26 gas utility. The tariff filed pursuant to this Section shall

1 permit the gas utility to recover from retail customers any
2 uncollected receivables that may arise as a result of the
3 purchase of receivables under this Section, may also include
4 other just and reasonable terms and conditions, and shall
5 provide for recovery of the prudently incurred costs associated
6 with the provision of this service pursuant to this Section.
7 Nothing in this Section permits the double recovery of bad debt
8 expenses from customers."