

# HB2721



## 103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB2721

Introduced 2/16/2023, by Rep. Dagmara Avelar

### SYNOPSIS AS INTRODUCED:

220 ILCS 5/9-220.2

Amends the Public Utilities Act. In provisions concerning water and sewer surcharges, removes language allowing the Illinois Commerce Commission to authorize a water or sewer utility to file a surcharge which adjusts rates and charges to provide for recovery of costs associated with an investment in qualifying infrastructure plant. Makes a corresponding change.

LRB103 30333 AMQ 56763 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 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 Commission may authorize a water or sewer utility  
9 to file a surcharge which adjusts rates and charges to provide  
10 for recovery of (i) the cost of purchased water, (ii) the cost  
11 of purchased sewage treatment service, or (iii) other costs  
12 which fluctuate for reasons beyond the utility's control or  
13 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  
16 requirement. A surcharge approved under this Section can  
17 operate on an historical or a prospective basis.

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

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