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LRB094 19388 AMC 55897 a

1 AMENDMENT TO HOUSE BILL 5555

2 AMENDMENT NO. _____. Amend House Bill 5555 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the Water
5 and Sewer Utility Customer Service Act.

6 Section 5. Application of Public Utilities Act to water and
7 sewer utilities. Except to the extent modified or supplemented
8 by the specific provisions of this Act, the Sections of the
9 Public Utilities Act pertaining to public utilities, public
10 utility rates, and services, and the regulation thereof, are
11 fully and equally applicable to water and sewer rates and
12 services and the regulation thereof, except where the context
13 clearly renders such provisions inapplicable.

14 Section 10. Definitions. The definitions contained in the
15 Public Utilities Act apply to terms used in this Act, unless
16 the context clearly indicates otherwise.

17 Section 15. Customer rights.

18 (a) Within 90 days after the effective date of this
19 amendatory Act of the 94th General Assembly, the Commission
20 shall hold public hearings concerning and establish a water
21 bill of rights for customers of public utilities providing
22 water or sewer service. The water bill of rights must detail

1 what rights a customer has in each of the following situations:

2 (1) The customer's water meter is replaced.

3 (2) The customer's bill increases by more than 20%
4 within one billing period.

5 (3) The customer's water service is terminated.

6 (4) The customer wishes to appeal a termination of
7 service notice.

8 (5) The customer is unable to make payment on a billing
9 statement.

10 (6) A surcharge or annual reconciliation is filed that
11 will increase the amount billed to the customer.

12 (7) The customer is billed for services provided prior
13 to the date covered by the billing statement.

14 (8) The customer is due to receive a credit.

15 The water bill of rights must also include information
16 concerning the service obligations of the utility and informing
17 the customer about unfair and unethical collection practices
18 and remedies that the customer may pursue for a violation of
19 the customer's rights. The Commission shall also determine the
20 penalties that shall be imposed on the utility for
21 noncompliance with the customer's water bill of rights.

22 (b) No water or sewer public utility may terminate the
23 service of any customer without first providing at least 7
24 days' advance written notice to the customer. The written
25 notice must include a copy of the water bill of rights created
26 under this Section and must notify the customer of the
27 customer's right to appeal the termination. The Commission
28 shall establish, by rule, a minimum payment schedule that must
29 be followed by the customer and the public utility of a
30 customer is disputing an amount billed to the customer or
31 appealing a termination of service and sanctions that may be
32 imposed against any public utility that terminates service to
33 any customer who adheres to the minimum payment schedule
34 established by the Commission. No water or sewer public utility

1 shall terminate service to any customer appealing a termination
2 of service or disputing a billed amount so long as the customer
3 adheres to the minimum payment schedule required by the
4 Commission.

5 A customer must be at least 60 days in arrears before a
6 shutoff notice can be issued. The Commission shall establish
7 procedures to set aside a shutoff notice if it affects the
8 safety and welfare of the community. The procedures shall be
9 published and provided to the municipality or townships served
10 by the utility.

11 (c) Each water or sewer public utility must provide written
12 notice to each affected customer of any annual reconciliation
13 rate adjustment and when it will go into effect.

14 (d) Each water or sewer public utility must disclose on
15 each billing statement any amount billed that is for service
16 provided prior to the date covered by the billing statement.
17 The disclosure must include the dates for which the prior
18 service is being billed. Each billing statement that includes
19 an amount billed for service provided prior to the date covered
20 by the billing statement must disclose the dates for which that
21 amount is billed and must include a copy of the water bill of
22 rights and a statement of current Commission rules concerning
23 back-billing. The Commission must verify any annual
24 reconciliation in the number of gallons that have been
25 back-billed by a water or sewer public utility and the utility
26 must credit the customer with those gallons, calculated in
27 dollars, with interest at the prime rate.

28 (e) The Commission shall establish by rule an informal
29 complaint process for processing complaints about water and
30 sewer public utilities and shall respond to each complaint by
31 providing the consumer with a copy of the utilities response to
32 the complaint and a copy of the Commission's review of the
33 complaint and its findings. The Commission must provide the
34 consumer with all available options for recourse.

1 (f) Any refund on the billing statement of a customer of a
2 water or sewer public utility must be itemized and state the
3 purpose of the refund.

4 Section 20. Water service for building construction
5 purposes. At the request of any municipality or township within
6 the service area of a public utility that provides water
7 service to customers within the municipality or township, a
8 public utility must (i) require all water service used for
9 building construction purposes to be measured by meter and
10 subject to approved rates and charges for metered water service
11 and (ii) prohibit the unauthorized use of water taken from
12 hydrants or service lines installed at construction sites.

13 Section 25. Water and sewer or public utilities;
14 subcontractors. The Commission shall adopt rules to direct
15 for-profit water and sewer public utilities to conform to
16 standards that protect consumers from irresponsible
17 subcontractors contracted by a for-profit water or sewer public
18 utility. The rules must provide for notice to the consumer of
19 the proper kind of identification that the subcontractor must
20 present to the customer, prohibit the subcontractor from
21 soliciting or receiving payment of any kind for any service
22 provided by the water or sewer public utility, and establish
23 sanctions for violations.

24 Section 30. Water and sewer public utilities; annual
25 reconciliation charges. The Commission must establish by rule a
26 formula for determining (i) the amount of unmetered water that
27 a unit of local government and customers can expect to pay for
28 in order to protect the public and (ii) the percentage of
29 unmetered water that reflects environmental waste that is the
30 result of a water or sewer public utility's management
31 inefficiencies and neglect. The formula and the utility's

1 compliance with existing conservation agreements must be
2 considered as part of all rate cases and annual reconciliations
3 associated with that utility. The Commission shall establish
4 sanctions for violations of any conservation agreements.

5 Section 35. Meter malfunction; testing.

6 (a) If a public utility furnishing water to any customer
7 determines that a meter owned by the public utility has
8 malfunctioned, then the public utility is prohibited from
9 charging the customer during the malfunction unless the
10 customer intentionally caused the malfunction.

11 (b) If requested by the Commission or by the customer whose
12 use is measured by the meter, a public utility furnishing water
13 to any customer must conduct a test to determine the accuracy
14 of the meter. Upon receipt of the written request of the
15 Commission or the customer, the utility must use a company
16 authorized by the Commission to conduct the test. The utility
17 shall charge the customer for the conduct of the test in the
18 amount authorized by the Commission by rule.

19 (c) The Commission may establish by rule a minimum schedule
20 for testing of water meters and any tests conducted thereunder
21 must be conducted at the utility's expense.

22 Section 40. Rate increases; public forums. When any public
23 utility providing water or sewer service proposes a rate
24 increase, prior to the date set for the hearing, a public forum
25 on the increase must be conducted in a location within 45
26 minutes drive time of the location where the increase will take
27 effect and the public utility must provide 30 days' advance
28 notice of each public forum to the governing body of those
29 units of local government affected by the increases. The day
30 and time of the forum shall be selected so as to encourage the
31 greatest public participation. Reports and comments made
32 during or as a result of the public forum must be made

1 available to the hearing officials and reviewed as part of the
2 hearing for the rate case.

3 Section 45. Water and sewer utilities; low usage. Each
4 public utility that provides water and sewer service must
5 establish a unit rate, subject to review by the Commission,
6 that applies only to those customers who use less than 100
7 gallons of water in any billing period.

8 Section 50. Water and sewer utilities; separate meters.
9 Each public utility that provides water and sewer service must
10 offer separate rates for water and sewer service to any
11 commercial or residential customer who uses separate meters to
12 measure each of those services. In order for the separate rate
13 to apply, a combination of meters must be used to measure the
14 amount of water that reaches the sewer system and the amount of
15 water that does not reach the sewer system.

16 Section 905. The Public Utilities Act is amended by
17 changing Section 9-223 as follows:

18 (220 ILCS 5/9-223) (from Ch. 111 2/3, par. 9-223)

19 Sec. 9-223. Fire protection charge.

20 (a) The Commission may authorize any public utility engaged
21 in the production, storage, transmission, sale, delivery or
22 furnishing of water to impose a fire protection charge, in
23 addition to any rate authorized by this Act, sufficient to
24 cover a reasonable portion of the cost of providing the
25 capacity, facilities and the water necessary to meet the fire
26 protection needs of any municipality or public fire protection
27 district. Such fire protection charge shall be in the form of a
28 fixed amount per bill and shall be shown separately on the
29 utility bill of each customer of the municipality or fire
30 protection district. Any filing by a public utility to impose

1 such a fire protection charge or to modify a charge shall be
2 made pursuant to Section 9-201 of this Act. Any fire protection
3 charge imposed shall reflect the costs associated with
4 providing fire protection service for each municipality or fire
5 protection district. No such charge shall be imposed directly
6 on any municipality or fire protection district for a
7 reasonable level of fire protection services unless provided
8 for in a separate agreement between the municipality or the
9 fire protection district and the utility.

10 (b) Within one year after the effective date of this
11 amendatory Act of the 94th General Assembly, the Commission
12 shall conduct at least 3 public forums to evaluate the purpose
13 and use of each fire protection charge imposed under this
14 Section. At least one forum must be held in northern Illinois,
15 at least one forum must be held in central Illinois, and at
16 least one forum must be held in southern Illinois. The
17 Commission must invite a representative from each municipality
18 and fire protection district affected by a fire protection
19 charge under this Section to attend a public forum. The
20 Commission shall report its findings concerning
21 recommendations concerning the purpose and use of each fire
22 protection charge to the General Assembly no later than the
23 last day of the veto session in 2006.

24 (Source: P.A. 84-617.)

25 Section 999. Effective date. This Act takes effect upon
26 becoming law."