

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 8-306 and by adding Section 9-226.5 as follows:

6 (220 ILCS 5/8-306)

7 Sec. 8-306. Special provisions relating to water and sewer
8 utilities.

9 (a) No later than 120 days after the effective date of this
10 amendatory Act of the 94th General Assembly, the Commission
11 shall prepare, make available to customers upon request, and
12 post on its Internet web site information concerning the
13 service obligations of water and sewer utilities and remedies
14 that a customer may pursue for a violation of the customer's
15 rights. The information shall specifically address the rights
16 of a customer of a water or sewer utility in the following
17 situations:

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

19 (2) The customer's bill increases by more than 50%
20 within one billing period.

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

22 (4) The customer wishes to complain after receiving a
23 termination of service notice.

1 (5) The customer is unable to make payment on a
2 billing statement.

3 (6) A rate is filed, including without limitation a
4 surcharge or annual reconciliation filing, that will
5 increase the amount billed to the customer.

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

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

9 Each billing statement issued by a water or sewer utility
10 shall include an Internet web site address where the customer
11 can view the information required under this subsection (a)
12 and a telephone number that the customer may call to request a
13 copy of the information.

14 (b) A water or sewer utility may discontinue service only
15 after it has mailed or delivered by other means a written
16 notice of discontinuance substantially in the form of Appendix
17 A of 83 Ill. Adm. Code 280. The notice must include the
18 Internet web site address where the customer can view the
19 information required under subsection (a) and a telephone
20 number that the customer may call to request a copy of the
21 information. Any notice required to be delivered or mailed to
22 a customer prior to discontinuance of service shall be
23 delivered or mailed separately from any bill. Service shall
24 not be discontinued until at least 5 days after delivery or 8
25 days after the mailing of this notice. Service shall not be
26 discontinued and shall be restored if discontinued for the

1 reason which is the subject of a dispute or complaint during
2 the pendency of informal or formal complaint procedures of the
3 Illinois Commerce Commission under 83 Ill. Adm. Code 280.160
4 or 280.170, where the customer has complied with those rules.
5 Service shall not be discontinued and shall be restored if
6 discontinued where a customer has established a deferred
7 payment agreement pursuant to 83 Ill. Adm. Code 280.110 and
8 has not defaulted on such agreement. Residential customers who
9 are indebted to a utility for past due utility service shall
10 have the opportunity to make arrangements with the utility to
11 retire the debt by periodic payments, referred to as a
12 deferred payment agreement, unless this customer has failed to
13 make payment under such a plan during the past 12 months. The
14 terms and conditions of a reasonable deferred payment
15 agreement shall be determined by the utility after
16 consideration of the following factors, based upon information
17 available from current utility records or provided by the
18 customer or applicant:

- 19 (1) size of the past due account;
 - 20 (2) customer or applicant's ability to pay;
 - 21 (3) customer or applicant's payment history;
 - 22 (4) reason for the outstanding indebtedness; and
 - 23 (5) any other relevant factors relating to the
24 circumstances of the customer or applicant's service.
- 25 A residential customer shall pay a maximum of one-fourth of
26 the amount past due and owing at the time of entering into the

1 deferred payment agreement, and the water or sewer utility
2 shall allow a minimum of 2 months from the date of the
3 agreement and a maximum of 12 months for payment to be made
4 under a deferred payment agreement. Late payment charges may
5 be assessed against the amount owing that is the subject of a
6 deferred payment agreement.

7 (c) A water or sewer utility shall provide notice as
8 required by subsection (a) of Section 9-201 after the filing
9 of each information sheet under a purchased water surcharge,
10 purchased sewage treatment surcharge, or qualifying
11 infrastructure plant surcharge. The utility also shall post
12 notice of the filing in accordance with the requirements of 83
13 Ill. Adm. Code 255. Unless filed as part of a general rate
14 increase, notice of the filing of a purchased water surcharge
15 rider, purchased sewage treatment surcharge rider, or
16 qualifying infrastructure plant surcharge rider also shall be
17 given in the manner required by this subsection (c) for the
18 filing of information sheets.

19 (d) Commission rules pertaining to formal and informal
20 complaints against public utilities shall apply with full and
21 equal force to water and sewer utilities and their customers,
22 including provisions of 83 Ill. Adm. Code 280.170, and the
23 Commission shall respond to each complaint by providing the
24 consumer with a copy of the utility's response to the
25 complaint and a copy of the Commission's review of the
26 complaint and its findings. The Commission shall also provide

1 the consumer with all available options for recourse.

2 (e) Any refund shown on the billing statement of a
3 customer of a water or sewer utility must be itemized and must
4 state if the refund is an adjustment or credit.

5 (f) Water service for building construction purposes. At
6 the request of any municipality or township within the service
7 area of a public utility that provides water service to
8 customers within the municipality or township, a public
9 utility must (1) require all water service used for building
10 construction purposes to be measured by meter and subject to
11 approved rates and charges for metered water service and (2)
12 prohibit the unauthorized use of water taken from hydrants or
13 service lines installed at construction sites.

14 (g) Water meters.

15 (1) Periodic testing. Unless otherwise approved by the
16 Commission, each service water meter shall be periodically
17 inspected and tested in accordance with the schedule
18 specified in 83 Ill. Adm. Code 600.340, or more frequently
19 as the results may warrant, to insure that the meter
20 accuracy is maintained within the limits set out in 83
21 Ill. Adm. Code 600.310.

22 (2) Meter tests requested by customer.

23 (A) Each utility furnishing metered water service
24 shall, without charge, test the accuracy of any meter
25 upon request by the customer served by such meter,
26 provided that the meter in question has not been

1 tested by the utility or by the Commission within 2
2 years previous to such request. The customer or his or
3 her representatives shall have the privilege of
4 witnessing the test at the option of the customer. A
5 written report, giving the results of the test, shall
6 be made to the customer.

7 (B) When a meter that has been in service less than
8 2 years since its last test is found to be accurate
9 within the limits specified in 83 Ill. Adm. Code
10 600.310, the customer shall pay a fee to the utility
11 not to exceed the amounts specified in 83 Ill. Adm.
12 Code 600.350(b). Fees for testing meters not included
13 in this Section or so located that the cost will be out
14 of proportion to the fee specified will be determined
15 by the Commission upon receipt of a complete
16 description of the case.

17 (3) Commission referee tests. Upon written application
18 to the Commission by any customer, a test will be made of
19 the customer's meter by a representative of the
20 Commission. For such a test, a fee as provided for in
21 subsection (g)(2) shall accompany the application. If the
22 meter is found to be registering more than 1.5% fast on the
23 average when tested as prescribed in 83 Ill. Adm. Code
24 600.310, the utility shall refund to the customer the
25 amount of the fee. The utility shall in no way disturb the
26 meter after a customer has made an application for a

1 referee test until authority to do so is given by the
2 Commission or the customer in writing.

3 (h) Water and sewer utilities; low usage. Each public
4 utility that provides water and sewer service must establish a
5 unit sewer rate, subject to review by the Commission, that
6 applies only to those customers who use less than 1,000
7 gallons of water in any billing period.

8 (i) Water and sewer utilities; separate meters. Each
9 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 (j) Each water or sewer public utility must disclose on
17 each billing statement any amount billed that is for service
18 provided prior to the date covered by the billing statement.
19 The disclosure must include the dates for which the prior
20 service is being billed. Each billing statement that includes
21 an amount billed for service provided prior to the date
22 covered by the billing statement must disclose the dates for
23 which that amount is billed and must include a copy of the
24 document created under subsection (a) and a statement of
25 current Commission rules concerning unbilled or misbilled
26 service.

1 (k) When the customer is due a refund resulting from
2 payment of an overcharge, the utility shall credit the
3 customer in the amount of overpayment with interest from the
4 date of overpayment by the customer. The rate for interest
5 shall be at the appropriate rate determined by the Commission
6 under 83 Ill. Adm. Code 280.70.

7 (l) Water and sewer public utilities; subcontractors. The
8 Commission shall adopt rules for water and sewer public
9 utilities to provide notice to the customers of the proper
10 kind of identification that a subcontractor must present to
11 the customer, to prohibit a subcontractor from soliciting or
12 receiving payment of any kind for any service provided by the
13 water or sewer public utility or the subcontractor, and to
14 establish sanctions for violations.

15 (m) Water and sewer public utilities; unaccounted-for
16 water. By December 31, 2006, each water public utility shall
17 file tariffs with the Commission to establish the maximum
18 percentage of unaccounted-for water that would be considered
19 in the determination of any rates or surcharges. The rates or
20 surcharges approved for a water public utility shall not
21 include charges for unaccounted-for water in excess of this
22 maximum percentage without well-documented support and
23 justification for the Commission to consider in any request to
24 recover charges in excess of the tariffed maximum percentage.

25 (n) (Blank). ~~Rate increases; public forums. When any~~
26 ~~public utility providing water or sewer service proposes a~~

~~general rate increase, in addition to other notice requirements, the water or sewer public utility must notify its customers of their right to request a public forum. A customer or group of customers must make written request to the Commission for a public forum and must also provide written notification of the request to the customer's municipal or, for unincorporated areas, township government. The Commission, at its discretion, may schedule the public forum. If it is determined that public forums are required for multiple municipalities or townships, the Commission shall schedule these public forums, in locations within approximately 45 minutes drive time of the municipalities or townships for which the public forums have been scheduled. The public utility must provide advance notice of 30 days for each public forum to the governing bodies of those units of local government affected by the increase. The day of each public forum shall be selected so as to encourage the greatest public participation. Each public forum will begin at 7:00 p.m. Reports and comments made during or as a result of each public forum must be made available to the hearing officials and reviewed when drafting a recommended or tentative decision, finding or order pursuant to Section 10-111 of this Act.~~

(Source: P.A. 94-950, eff. 6-27-06.)

(220 ILCS 5/9-226.5 new)

Sec. 9-226.5. General rate increases; public forums. When

1 any public utility providing electric, gas, water, or sewer
2 service proposes a general rate increase, in addition to other
3 notice requirements, the public utility must notify its
4 customers of their right to request a public forum. A customer
5 or group of customers must make a written request to the
6 Commission for the public forum. The Commission, at its
7 discretion, shall schedule the public forum unless it is
8 determined that the Commission does not have adequate staff or
9 financial resources or that the public forum cannot be
10 convened in a timely manner. The public utility must, to the
11 best of the public utility's ability, provide advance notice
12 of 30 days for each public forum to the governing bodies of any
13 units of local government affected by the proposed general
14 rate increase. The day and location of each public forum shall
15 be selected so as to encourage the greatest public
16 participation. Reports and comments made during or as a result
17 of each public forum must be made available to the hearing
18 officials and reviewed when drafting a recommended or
19 tentative decision, finding, or order. Failure to comply with
20 this Section shall not render invalid or otherwise affect the
21 validity of any order entered by the Commission in a general
22 rate proceeding.

23 This Section does not apply to a public utility providing
24 electric, gas, water, or sewer service to less than 15,000
25 customers as of January 1, 2026.

26 Section 99. Effective date. This Act takes effect on

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1 January 1, 2027.