



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB3717

Introduced 2/5/2026, by Sen. Adriane Johnson

SYNOPSIS AS INTRODUCED:

220 ILCS 5/9-241
305 ILCS 20/6
305 ILCS 20/13

from Ch. 111 2/3, par. 9-241
from Ch. 111 2/3, par. 1406

Amends the Public Utilities Act. In provisions concerning nondiscrimination, provides that the Commission is authorized to approve a low-income discount rate for residential electric and natural gas customers that applies to the entirety of a qualifying customer's bill, including, but not limited to, a qualifying customer's delivery service charges and energy supply charges. Provides that an electric or natural gas utility may fund low-income discount rates through a surcharge on customers' electric and natural gas bills. Provides that the changes to the Act apply retroactively on and after January 1, 2023. Amends the Energy Assistance Act. In provisions concerning eligibility under the Act, provides that, in setting the annual eligibility level for the use of State funds from the Supplemental Low-Income Energy Assistance Fund, the Department of Commerce and Economic Opportunity shall consider the amount of available funding and may not set a limit higher than 300% of the federal nonfarm poverty level. In provisions concerning the Supplemental Low-Income Energy Assistance Fund, provides that the yearly administrative expenses of the Fund may not exceed 15% (rather than 13%) of the amount collected during that year, except when unspent funds from the Fund are reallocated from a previous year. Provides that any unspent balance of the 15% administrative allowance may be utilized for administrative expenses in the year they are reallocated. Provides that, of the 15% administrative allowance, no less than 9% (rather than 8%) shall be provided to Local Administrative Agencies for administrative expenses. Provides that, beginning January 1, 2027, the Base Energy Assistance Charge shall be \$0.80 per month for each utility that is required by the Illinois Commerce Commission to implement a low-income discount rate and shall be \$0.40 per month for each utility that is not required to implement a low-income discount rate and that contributes to the Supplemental Low-Income Energy Assistance Fund. Makes other changes.

LRB104 17298 AAS 30720 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 9-241 as follows:

6 (220 ILCS 5/9-241) (from Ch. 111 2/3, par. 9-241)

7 Sec. 9-241. Nondiscrimination.

8 (a) No public utility shall, as to rates or other charges,
9 services, facilities or in other respect, make or grant any
10 preference or advantage to any corporation or person or
11 subject any corporation or person to any prejudice or
12 disadvantage. No public utility shall establish or maintain
13 any unreasonable difference as to rates or other charges,
14 services, facilities, or in any other respect, either as
15 between localities or as between classes of service.

16 (b) An electric utility in a county with a population of
17 3,000,000 or more shall not establish or maintain any
18 unreasonable difference as to rates or other charges,
19 services, contractual terms, or facilities for access to or
20 the use of its utility infrastructure by another person or for
21 any other purpose. Notwithstanding any other provision of law,
22 the Commission and its staff shall interpret this Section in
23 accordance with Article XVI of this Act.

1 (c) Nothing in this Section shall be construed as limiting
2 the authority of the Commission to permit the establishment of
3 economic development rates as incentives to economic
4 development either in enterprise zones as designated by the
5 State of Illinois or in other areas of a utility's service
6 area. Such rates should be available to existing businesses
7 which demonstrate an increase to existing load as well as new
8 businesses which create new load for a utility so as to create
9 a more balanced utilization of generating capacity. The
10 Commission shall ensure that such rates are established at a
11 level which provides a net benefit to customers within a
12 public utility's service area.

13 (d) On or before January 1, 2023, the Commission shall
14 conduct a comprehensive study to assess whether low-income
15 discount rates for electric and natural gas residential
16 customers are appropriate and the potential design and
17 implementation of any such rates. The Commission shall include
18 its findings, together with the appropriate recommendations,
19 in a report to be provided to the General Assembly. Upon
20 completion of the study, the Commission shall have the
21 authority to permit or require electric and natural gas
22 utilities to file a tariff establishing low-income discount
23 rates.

24 Such study shall assess, at a minimum, the following:

25 (1) customer eligibility requirements, including
26 income-based eligibility and eligibility based on

1 participation in or eligibility for certain public
2 assistance programs;

3 (2) appropriate rate structures, including
4 consideration of tiered discounts for different income
5 levels;

6 (3) appropriate recovery mechanisms, including the
7 consideration of volumetric charges and customer charges;

8 (4) appropriate verification mechanisms;

9 (5) measures to ensure customer confidentiality and
10 data safeguards;

11 (6) outreach and consumer education procedures; and

12 (7) the impact that a low-income discount rate would
13 have on the affordability of delivery service to
14 low-income customers and customers overall.

15 (d-5) For the purposes of this subsection (d-5),
16 "qualifying customer" means a residential customer (i) who has
17 been deemed eligible for assistance under the Low-Income Home
18 Energy Assistance Program (LIHEAP) or (ii) whose household
19 income does not exceed 300% of the federal poverty level.

20 Notwithstanding the contents of the report required under
21 subsection (d) and any other provision of this Act, the
22 Commission may approve a low-income discount rate for electric
23 and natural gas residential customers that applies to the
24 entirety of a qualifying customer's bill, including, but not
25 limited to, a qualifying customer's delivery service charges
26 and energy supply charges. An electric or natural gas utility

1 may fund low-income discount rates under this subsection (d-5)
2 through a surcharge on customers' electric and natural gas
3 bills.

4 Consistent with the original intent of the changes made to
5 this Section by Public Act 102-662, it is the intent of the
6 General Assembly that this subsection (d-5) applies
7 retroactively to any discount rate approved by the Commission
8 on or after January 1, 2023.

9 (e) The Commission shall adopt rules requiring utility
10 companies to produce information, in the form of a mailing,
11 and other approved methods of distribution, to its consumers,
12 to inform the consumers of available rebates, discounts,
13 credits, and other cost-saving mechanisms that can help them
14 lower their monthly utility bills, and send out such
15 information semi-annually, unless otherwise provided by this
16 Article.

17 (f) Prior to October 1, 1989, no public utility providing
18 electrical or gas service shall consider the use of solar or
19 other nonconventional renewable sources of energy by a
20 customer as a basis for establishing higher rates or charges
21 for any service or commodity sold to such customer; nor shall a
22 public utility subject any customer utilizing such energy
23 source or sources to any other prejudice or disadvantage on
24 account of such use. No public utility shall without the
25 consent of the Commission, charge or receive any greater
26 compensation in the aggregate for a lesser commodity, product,

1 or service than for a greater commodity, product or service of
2 like character.

3 The Commission, in order to expedite the determination of
4 rate questions, or to avoid unnecessary and unreasonable
5 expense, or to avoid unjust or unreasonable discrimination
6 between classes of customers, or, whenever in the judgment of
7 the Commission public interest so requires, may, for rate
8 making and accounting purposes, or either of them, consider
9 one or more municipalities either with or without the adjacent
10 or intervening rural territory as a regional unit where the
11 same public utility serves such region under substantially
12 similar conditions, and may within such region prescribe
13 uniform rates for consumers or patrons of the same class.

14 Any public utility, with the consent and approval of the
15 Commission, may as a basis for the determination of the
16 charges made by it classify its service according to the
17 amount used, the time when used, the purpose for which used,
18 and other relevant factors.

19 (Source: P.A. 102-662, eff. 9-15-21; 103-679, eff. 7-19-24.)

20 Section 10. The Energy Assistance Act is amended by
21 changing Sections 6 and 13 as follows:

22 (305 ILCS 20/6) (from Ch. 111 2/3, par. 1406)

23 Sec. 6. Eligibility, conditions of participation, and
24 energy assistance.

1 (a) Any person who is a resident of the State of Illinois
2 and whose household income is not greater than an amount
3 determined annually by the Department, in consultation with
4 the Policy Advisory Council, may apply for assistance pursuant
5 to this Act in accordance with regulations promulgated by the
6 Department. In setting the annual eligibility level, the
7 Department shall consider the amount of available funding and
8 may not set a limit higher than 150% of the federal nonfarm
9 poverty level as established by the federal Office of
10 Management and Budget or 60% of the State median income for the
11 current State fiscal year as established by the U.S.
12 Department of Health and Human Services; except that, in
13 setting the annual eligibility level for the use of State
14 funds from the Supplemental Low-Income Energy Assistance Fund
15 authorized under Section 13, the Department may not set a
16 limit higher than 300% ~~for the period from the effective date~~
17 of this amendatory Act of the 101st General Assembly through
18 June 30, 2021, the Department may establish limits not higher
19 than 200% of that poverty level. The Department, in
20 consultation with the Policy Advisory Council, may adjust the
21 percentage of poverty level annually in accordance with
22 federal guidelines and based on funding availability.

23 (b) Applicants who qualify for assistance pursuant to
24 subsection (a) of this Section shall, subject to appropriation
25 from the General Assembly and subject to availability of funds
26 to the Department, receive energy assistance as provided by

1 this Act. The Department, upon receipt of monies authorized
2 pursuant to this Act for energy assistance, shall commit funds
3 for each qualified applicant in an amount determined by the
4 Department. In determining the amounts of assistance to be
5 provided to or on behalf of a qualified applicant, the
6 Department shall ensure that the highest amounts of assistance
7 go to households with the greatest energy costs in relation to
8 household income. The Department shall include factors such as
9 energy costs, household size, household income, and region of
10 the State when determining individual household benefits. In
11 setting assistance levels, the Department shall attempt to
12 provide assistance to approximately the same number of
13 households who participated in the 1991 Residential Energy
14 Assistance Partnership Program. Such assistance levels shall
15 be adjusted annually on the basis of funding availability and
16 energy costs. In promulgating rules for the administration of
17 this Section the Department shall assure that a minimum of 1/3
18 of funds available for benefits to eligible households with
19 the lowest incomes and that elderly households, households
20 with children under the age of 6 years old, and households with
21 persons with disabilities are offered a priority application
22 period.

23 (c) If the applicant is not a customer of record of an
24 energy provider for energy services or an applicant for such
25 service, such applicant shall receive a direct energy
26 assistance payment in an amount established by the Department

1 for all such applicants under this Act; provided, however,
2 that such an applicant must have rental expenses for housing
3 greater than 30% of household income.

4 (c-1) This subsection shall apply only in cases where: (1)
5 the applicant is not a customer of record of an energy provider
6 because energy services are provided by the owner of the unit
7 as a portion of the rent; (2) the applicant resides in housing
8 subsidized or developed with funds provided under the Rental
9 Housing Support Program Act or under a similar locally funded
10 rent subsidy program, or is the voucher holder who resides in a
11 rental unit within the State of Illinois and whose monthly
12 rent is subsidized by the tenant-based Housing Choice Voucher
13 Program under Section 8 of the U.S. Housing Act of 1937; and
14 (3) the rental expenses for housing are no more than 30% of
15 household income. In such cases, the household may apply for
16 an energy assistance payment under this Act and the owner of
17 the housing unit shall cooperate with the applicant by
18 providing documentation of the energy costs for that unit. Any
19 compensation paid to the energy provider who supplied energy
20 services to the household shall be paid on behalf of the owner
21 of the housing unit providing energy services to the
22 household. The Department shall report annually to the General
23 Assembly on the number of households receiving energy
24 assistance under this subsection and the cost of such
25 assistance.

26 (d) If the applicant is a customer of an energy provider,

1 such applicant shall receive energy assistance in an amount
2 established by the Department for all such applicants under
3 this Act, such amount to be paid by the Department to the
4 energy provider supplying winter energy service to such
5 applicant. Such applicant shall:

6 (i) make all reasonable efforts to apply to any other
7 appropriate source of public energy assistance; and

8 (ii) sign a waiver permitting the Department to
9 receive income information from any public or private
10 agency providing income or energy assistance and from any
11 employer, whether public or private.

12 (e) Any qualified applicant pursuant to this Section may
13 receive or have paid on such applicant's behalf an emergency
14 assistance payment to enable such applicant to obtain access
15 to winter energy services. Any such payments shall be made in
16 accordance with regulations of the Department.

17 (f) The Department may, if sufficient funds are available,
18 provide additional benefits to certain qualified applicants:

19 (i) for the reduction of past due amounts owed to
20 energy providers;

21 (ii) to assist the household in responding to
22 excessively high summer temperatures or energy costs.
23 Households containing elderly members, children, a person
24 with a disability, or a person with a medical need for
25 conditioned air shall receive priority for receipt of such
26 benefits; and

1 (iii) for the installation of energy conservation
2 measures, health and safety measures, healthy home
3 measures, home improvement measures to help alleviate
4 deferrals from weatherization activities, and renewable
5 energy retrofits.

6 (Source: P.A. 102-16, eff. 6-17-21; 102-176, eff. 6-1-22;
7 102-699, eff. 4-19-22; 103-663, eff. 1-1-25.)

8 (305 ILCS 20/13)

9 Sec. 13. Supplemental Low-Income Energy Assistance Fund.

10 (a) The Supplemental Low-Income Energy Assistance Fund is
11 hereby created as a special fund in the State Treasury. The
12 Supplemental Low-Income Energy Assistance Fund is authorized
13 to receive moneys from voluntary donations from individuals,
14 foundations, corporations, and other sources, moneys received
15 pursuant to Section 17, and, by statutory deposit, the moneys
16 collected pursuant to this Section. The Fund is also
17 authorized to receive voluntary donations from individuals,
18 foundations, corporations, and other sources. Subject to
19 appropriation, the Department shall use moneys from the
20 Supplemental Low-Income Energy Assistance Fund for: (i)
21 payments to electric or gas public utilities, municipal
22 electric or gas utilities, and electric cooperatives on behalf
23 of their customers who are participants in the program
24 authorized by Sections 4 and 18 of this Act; (ii) the provision
25 of weatherization services, including, but not limited to, the

1 installation of energy conservation measures, health and
2 safety measures, healthy home measures, home improvement
3 measures to alleviate the deferrals of certain projects,
4 including, but not limited to, roofs and foundation repairs,
5 and renewable energy retrofits; and (iii) administration of
6 the Supplemental Low-Income Energy Assistance Fund. All other
7 deposits outside of the Energy Assistance Charge as set forth
8 in subsection (b) are not subject to the percentage
9 restrictions related to administrative and weatherization
10 expenses provided in this subsection. The yearly expenditures
11 for weatherization may not exceed 10% of the amount collected
12 during the year pursuant to this Section, except when unspent
13 funds from the Supplemental Low-Income Energy Assistance Fund
14 are reallocated from a previous year; any unspent balance of
15 the 10% weatherization allowance may be utilized for
16 weatherization expenses in the year they are reallocated. The
17 yearly administrative expenses of the Supplemental Low-Income
18 Energy Assistance Fund may not exceed 15% ~~13%~~ of the amount
19 collected during that year pursuant to this Section, except
20 when unspent funds from the Supplemental Low-Income Energy
21 Assistance Fund are reallocated from a previous year; any
22 unspent balance of the 15% ~~13%~~ administrative allowance may be
23 utilized for administrative expenses in the year they are
24 reallocated. Of the 15% ~~13%~~ administrative allowance, no less
25 than 9% ~~8%~~ shall be provided to Local Administrative Agencies
26 for administrative expenses.

1 (b) Notwithstanding the provisions of Section 16-111 of
2 the Public Utilities Act but subject to subsection (k) of this
3 Section, each public utility, electric cooperative, as defined
4 in Section 3.4 of the Electric Supplier Act, and municipal
5 utility, as referenced in Section 3-105 of the Public
6 Utilities Act, that is engaged in the delivery of electricity
7 or the distribution of natural gas within the State of
8 Illinois shall, effective January 1, 2021, assess each of its
9 customer accounts a monthly Energy Assistance Charge for the
10 Supplemental Low-Income Energy Assistance Fund. The delivering
11 public utility, municipal electric or gas utility, or electric
12 or gas cooperative for a self-assessing purchaser remains
13 subject to the collection of the fee imposed by this Section.
14 The monthly charge shall be as follows:

15 (1) Base Energy Assistance Charge per month on each
16 account for residential electrical service;

17 (2) Base Energy Assistance Charge per month on each
18 account for residential gas service;

19 (3) Ten times the Base Energy Assistance Charge per
20 month on each account for non-residential electric service
21 which had less than 10 megawatts of peak demand during the
22 previous calendar year;

23 (4) Ten times the Base Energy Assistance Charge per
24 month on each account for non-residential gas service
25 which had distributed to it less than 4,000,000 therms of
26 gas during the previous calendar year;

1 (5) Three hundred and seventy-five times the Base
2 Energy Assistance Charge per month on each account for
3 non-residential electric service which had 10 megawatts or
4 greater of peak demand during the previous calendar year;
5 and

6 (6) Three hundred and seventy-five times the Base
7 Energy Assistance Charge per month on each account for
8 non-residential gas service which had 4,000,000 or more
9 therms of gas distributed to it during the previous
10 calendar year.

11 Beginning January 1, 2027, the Base Energy Assistance
12 Charge shall be \$0.80 per month for each utility that is
13 required by the Commission to implement a low-income discount
14 rate pursuant to Section 9-241 and shall be \$0.40 per month for
15 each utility that is not required to implement a low-income
16 discount rate and that contributes to the Supplemental
17 Low-Income Energy Assistance Fund.

18 ~~The Base Energy Assistance Charge shall be \$0.48 per month~~
19 ~~for the calendar year beginning January 1, 2022 and shall~~
20 ~~increase by \$0.16 per month for any calendar year, provided no~~
21 ~~less than 80% of the previous State fiscal year's available~~
22 ~~Supplemental Low Income Energy Assistance Fund funding was~~
23 ~~exhausted. The maximum Base Energy Assistance Charge shall not~~
24 ~~exceed \$0.96 per month for any calendar year.~~

25 The incremental change to such charges imposed by Public
26 Act 99-933 and this amendatory Act of the 104th General

1 ~~Assembly this amendatory Act of the 102nd General Assembly~~
2 shall not (i) be used for any purpose other than to directly
3 assist customers and (ii) be applicable to utilities serving
4 less than 100,000 customers in Illinois on January 1, 2021.
5 ~~The incremental change to such charges imposed by this~~
6 ~~amendatory Act of the 102nd General Assembly are intended to~~
7 ~~increase utilization of the Percentage of Income Payment Plan~~
8 ~~(PIPP or PIP Plan) and shall be applied such that PIP Plan~~
9 ~~enrollment is at least doubled, as compared to 2020~~
10 ~~enrollment, by 2024.~~

11 ~~In addition, electric and gas utilities have committed,~~
12 ~~and shall contribute, a one-time payment of \$22 million to the~~
13 ~~Fund, within 10 days after the effective date of the tariffs~~
14 ~~established pursuant to Sections 16-111.8 and 19-145 of the~~
15 ~~Public Utilities Act to be used for the Department's cost of~~
16 ~~implementing the programs described in Section 18 of this~~
17 ~~amendatory Act of the 96th General Assembly, the Arrearage~~
18 ~~Reduction Program described in Section 18, and the programs~~
19 ~~described in Section 8-105 of the Public Utilities Act. If a~~
20 ~~utility elects not to file a rider within 90 days after the~~
21 ~~effective date of this amendatory Act of the 96th General~~
22 ~~Assembly, then the contribution from such utility shall be~~
23 ~~made no later than February 1, 2010.~~

24 (c) For purposes of this Section:

25 (1) "residential electric service" means electric
26 utility service for household purposes delivered to a

1 dwelling of 2 or fewer units which is billed under a
2 residential rate, or electric utility service for
3 household purposes delivered to a dwelling unit or units
4 which is billed under a residential rate and is registered
5 by a separate meter for each dwelling unit;

6 (2) "residential gas service" means gas utility
7 service for household purposes distributed to a dwelling
8 of 2 or fewer units which is billed under a residential
9 rate, or gas utility service for household purposes
10 distributed to a dwelling unit or units which is billed
11 under a residential rate and is registered by a separate
12 meter for each dwelling unit;

13 (3) "non-residential electric service" means electric
14 utility service which is not residential electric service;
15 and

16 (4) "non-residential gas service" means gas utility
17 service which is not residential gas service.

18 (d) Within 30 days after the effective date of this
19 amendatory Act of the 96th General Assembly, each public
20 utility engaged in the delivery of electricity or the
21 distribution of natural gas shall file with the Illinois
22 Commerce Commission tariffs incorporating the Energy
23 Assistance Charge in other charges stated in such tariffs,
24 which shall become effective no later than the beginning of
25 the first billing cycle following such filing.

26 (e) The Energy Assistance Charge assessed by electric and

1 gas public utilities shall be considered a charge for public
2 utility service.

3 (f) By the 20th day of the month following the month in
4 which the charges imposed by the Section were collected, each
5 public utility, municipal utility, and electric cooperative
6 shall remit to the Department of Revenue all moneys received
7 as payment of the Energy Assistance Charge on a return
8 prescribed and furnished by the Department of Revenue showing
9 such information as the Department of Revenue may reasonably
10 require; provided, however, that a utility offering an
11 Arrearage Reduction Program or Supplemental Arrearage
12 Reduction Program pursuant to Section 18 of this Act shall be
13 entitled to net those amounts necessary to fund and recover
14 the costs of such Programs as authorized by that Section that
15 is no more than the incremental change in such Energy
16 Assistance Charge authorized by Public Act 96-33. If a
17 customer makes a partial payment, a public utility, municipal
18 utility, or electric cooperative may elect either: (i) to
19 apply such partial payments first to amounts owed to the
20 utility or cooperative for its services and then to payment
21 for the Energy Assistance Charge or (ii) to apply such partial
22 payments on a pro-rata basis between amounts owed to the
23 utility or cooperative for its services and to payment for the
24 Energy Assistance Charge.

25 If any payment provided for in this Section exceeds the
26 distributor's liabilities under this Act, as shown on an

1 original return, the Department may authorize the distributor
2 to credit such excess payment against liability subsequently
3 to be remitted to the Department under this Act, in accordance
4 with reasonable rules adopted by the Department. If the
5 Department subsequently determines that all or any part of the
6 credit taken was not actually due to the distributor, the
7 distributor's discount shall be reduced by an amount equal to
8 the difference between the discount as applied to the credit
9 taken and that actually due, and that distributor shall be
10 liable for penalties and interest on such difference.

11 (g) The Department of Revenue shall deposit into the
12 Supplemental Low-Income Energy Assistance Fund all moneys
13 remitted to it in accordance with subsection (f) of this
14 Section. The utilities shall coordinate with the Department to
15 establish an equitable and practical methodology for
16 implementing this subsection (g) beginning with the 2010
17 program year.

18 (h) On or before December 31, 2002, the Department shall
19 prepare a report for the General Assembly on the expenditure
20 of funds appropriated from the Low-Income Energy Assistance
21 Block Grant Fund for the program authorized under Section 4 of
22 this Act.

23 (i) The Department of Revenue may establish such rules as
24 it deems necessary to implement this Section.

25 (j) The Department of Commerce and Economic Opportunity
26 may establish such rules as it deems necessary to implement

1 this Section.

2 (k) The charges imposed by this Section shall only apply
3 to customers of municipal electric or gas utilities and
4 electric or gas cooperatives if the municipal electric or gas
5 utility or electric or gas cooperative makes an affirmative
6 decision to impose the charge. If a municipal electric or gas
7 utility or an electric cooperative makes an affirmative
8 decision to impose the charge provided by this Section, the
9 municipal electric or gas utility or electric cooperative
10 shall inform the Department of Revenue in writing of such
11 decision when it begins to impose the charge. If a municipal
12 electric or gas utility or electric or gas cooperative does
13 not assess this charge, the Department may not use funds from
14 the Supplemental Low-Income Energy Assistance Fund to provide
15 benefits to its customers under the program authorized by
16 Section 4 of this Act.

17 In its use of federal funds under this Act, the Department
18 may not cause a disproportionate share of those federal funds
19 to benefit customers of systems which do not assess the charge
20 provided by this Section.

21 (Source: P.A. 102-16, eff. 6-17-21; 102-176, eff. 6-1-22;
22 102-671, eff. 11-30-21; 102-673, eff. 11-30-21; 102-699, eff.
23 4-19-22; 103-820, eff. 8-9-24.)