**Section 280.110 Deferred Payment Agreements**

a) Residential customers who are indebted to a utility for past due utility service shall have the opportunity to make arrangements with the utility to retire the debt by periodic payments referred to hereinafter as a deferred payment agreement unless this customer has failed to make payment under such a plan during the past twelve months. All applicants for service and non-residential customers who are indebted to a utility for past due utility service may have the opportunity, at the discretion of the utility (with the exception of those former customers eligible for reconnection under Section 280.130 herein), to make arrangements with the utility to retire the debt by periodic payments referred to hereinafter as a deferred payment agreement.

b) The terms and conditions of a reasonable deferred payment agreement and the utility's decision whether or not to offer an applicant for service a deferred payment agreement shall be determined by the utility after consideration of the following factors, based upon information available from current utility records or provided by the customer or applicant:

1) size of the past due account; and

2) customer or applicant's ability to pay; and

3) customer or applicant's payment history; and

4) reason for the outstanding indebtedness; and

5) any other relevant factors relating to the circumstances of the customer or applicant's service.

c) An applicant for residential service or a residential customer shall pay a maximum of ¼ of the amount past due and owing at the time of entering into the deferred payment agreement, and an applicant for non-residential service or a non-residential customer shall pay ⅓ of the amount past due and owing at the time of entering into the deferred payment agreement. The utility shall allow a minimum of two months (or, in the case of a gas or electric utility, four months) from the date of said agreement and a maximum of twelve months for payment to be made under a deferred payment agreement. A gas or electric customer may be permitted to enter into a deferred payment agreement which extends over less than four months, if he so chooses. Late payments charges may be assessed against the amount owing which is the subject of a deferred payment agreement.

d) A deferred payment agreement shall be in writing, with a copy provided to the applicant or customer, and shall conform to the following requirements:

1) the applicant or customer shall be required to pay all future bills for utility service by the due date; and

2) the applicant or customer shall retire his/her debt according to the terms of the deferred payment agreement.

e) A gas or electric utility shall explain the rules concerning a deferred payment agreement as set forth in this Section by means of an insert which shall be enclosed with each notice of disconnection sent to a residential gas or electric customer. Such insert shall be in the form set forth in Appendix D of this Part or, if approved by this Commission, a variation thereof. This information shall also be provided to gas or electric customers or applicants who visit the company's business office in order to negotiate a deferred payment agreement.

f) Renegotiation

If the gas or electric customer's economic or financial circumstances change during the effective period of a deferred payment agreement, and not more than 14 days has elapsed since the customer defaulted on the deferred payment agreement, the company shall be obliged, if the customer so requests, to renegotiate the terms and conditions of the deferred payment agreement, taking into consideration the changed economic and financial circumstances substantiated by the customer. The reinstatement of a previously defaulted deferred payment agreement pursuant to the provisions of this Section set forth below shall not prevent the renegotiation of a deferred payment agreement. However, the utility shall be obliged to renegotiate any deferred payment agreement more than one time or to extend the payment period beyond the maximum of twelve months available at the time the company and the customer entered into the original deferred payment agreement.

g) Reinstatement

1) If a gas or electric customer defaults on a deferred payment agreement but has not yet had service discontinued by the gas or electric utility, the utility shall permit such customer to be reinstated on the deferred payment agreement if the customer pays in full the amounts which should have been paid up to that date pursuant to the original payment agreement (including any amounts for current usage which have become past due). A utility shall be obliged to permit such reinstatement only once during the course of a deferred payment agreement.

2) If an applicant or customer shall default upon any payment due under the deferred payment agreement, the utility shall have the right to discontinue service pursuant to Section 280.130 herein, subject to the renegotiation and reinstatement provisions contained in this Section.

(Source: Amended at 6 Ill. Reg. 13723, effective November 8, 1982)