### **102ND GENERAL ASSEMBLY**

# State of Illinois

# 2021 and 2022

### SB0265

Introduced 2/17/2021, by Sen. Michael E. Hastings

# SYNOPSIS AS INTRODUCED:

from Ch. 111 2/3, par. 1406

305 ILCS 20/6 305 ILCS 20/13 305 ILCS 20/18 305 ILCS 20/20 new

Amends the Energy Assistance Act. Provides that the Department of Commerce and Economic Opportunity may not set the annual eligibility level for energy assistance higher than 60% of the State median income as established by the U.S. Department of Health and Human Services. Requires the Department to ensure that households with children under the age of 6 years old are offered a priority application period. Provides that the Supplemental Low-Income Energy Assistance Fund is not subject to sweeps, administrative charge-backs, or any other fiscal or budgetary maneuver that would in any way transfer any amounts from the Supplemental Low-Income Energy Assistance Fund into any other fund of the State. Contains provisions concerning certain unspent funds being utilized for weatherization expenses; allowances to Local Administrative Agencies for administrative expenses; incremental changes to the monthly energy assistance charges billed to utility customers; Department reports on monies collected and allocated to utilities for implementation of their Percentage of Income Payment Plans; and other matters. Provides that all energy assistance programs under the Act shall be available to eligible residents regardless of immigration status.

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FISCAL NOTE ACT MAY APPLY

A BILL FOR

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AN ACT concerning public aid.

# Be it enacted by the People of the State of Illinois, represented in the General Assembly:

4 Section 5. The Energy Assistance Act is amended by 5 changing Sections 6, 13, and 18 and by adding Section 20 as 6 follows:

7 (305 ILCS 20/6) (from Ch. 111 2/3, par. 1406)

8 Sec. 6. Eligibility, Conditions of Participation, and 9 Energy Assistance.

(a) Any person who is a resident of the State of Illinois 10 11 and whose household income is not greater than an amount 12 determined annually by the Department, in consultation with 13 the Policy Advisory Council, may apply for assistance pursuant 14 to this Act in accordance with regulations promulgated by the Department. In setting the annual eligibility level, the 15 Department shall consider the amount of available funding and 16 may not set a limit higher than 150% of the federal nonfarm 17 poverty level as established by the federal Office of 18 19 Management and Budget or 60% of the State median income for the 20 current State fiscal year as established by the U.S. 21 Department of Health and Human Services; except that for the period from the effective date of this amendatory Act of the 22 101st General Assembly through June 30, 2021, the Department 23

1 may establish limits not higher than 200% of that poverty 2 level. <u>The Department</u>, in consultation with the Policy 3 <u>Advisory Council</u>, may adjust the percentage of poverty level 4 <u>annually in accordance with federal guidelines and based on</u> 5 funding availability.

(b) Applicants who qualify for assistance pursuant to 6 7 subsection (a) of this Section shall, subject to appropriation 8 from the General Assembly and subject to availability of funds 9 to the Department, receive energy assistance as provided by 10 this Act. The Department, upon receipt of monies authorized 11 pursuant to this Act for energy assistance, shall commit funds 12 for each qualified applicant in an amount determined by the 13 Department. In determining the amounts of assistance to be provided to or on behalf of a qualified applicant, the 14 15 Department shall ensure that the highest amounts of assistance 16 go to households with the greatest energy costs in relation to 17 household income. The Department shall include factors such as energy costs, household size, household income, and region of 18 the State when determining individual household benefits. In 19 20 setting assistance levels, the Department shall attempt to 21 provide assistance to approximately the same number of 22 households who participated in the 1991 Residential Energy 23 Assistance Partnership Program. Such assistance levels shall be adjusted annually on the basis of funding availability and 24 25 energy costs. In promulgating rules for the administration of 26 this Section the Department shall assure that a minimum of 1/3

of funds available for benefits to eligible households with the lowest incomes and that elderly households, <u>households</u> <u>with children under the age of 6 years old</u>, and households with persons with disabilities are offered a priority application period.

6 (c) If the applicant is not a customer of record of an 7 energy provider for energy services or an applicant for such 8 service, such applicant shall receive a direct energy 9 assistance payment in an amount established by the Department 10 for all such applicants under this Act; provided, however, 11 that such an applicant must have rental expenses for housing 12 greater than 30% of household income.

13 (c-1) This subsection shall apply only in cases where: (1) the applicant is not a customer of record of an energy provider 14 15 because energy services are provided by the owner of the unit 16 as a portion of the rent; (2) the applicant resides in housing 17 subsidized or developed with funds provided under the Rental Housing Support Program Act or under a similar locally funded 18 rent subsidy program, or is the voucher holder who resides in a 19 rental unit within the State of Illinois and whose monthly 20 rent is subsidized by the tenant-based Housing Choice Voucher 21 22 Program under Section 8 of the U.S. Housing Act of 1937; and 23 (3) the rental expenses for housing are no more than 30% of household income. In such cases, the household may apply for 24 25 an energy assistance payment under this Act and the owner of 26 the housing unit shall cooperate with the applicant by

providing documentation of the energy costs for that unit. Any 1 2 compensation paid to the energy provider who supplied energy services to the household shall be paid on behalf of the owner 3 the housing unit providing energy services to 4 of the 5 household. The Department shall report annually to the General number of households receiving energy 6 Assembly on the 7 assistance under this subsection and the cost of such 8 assistance. The provisions of this subsection (c-1), other 9 than this sentence, are inoperative after August 31, 2012.

10 (d) If the applicant is a customer of an energy provider, 11 such applicant shall receive energy assistance in an amount 12 established by the Department for all such applicants under 13 this Act, such amount to be paid by the Department to the 14 energy provider supplying winter energy service to such 15 applicant. Such applicant shall:

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

18 (ii) sign a waiver permitting the Department to 19 receive income information from any public or private 20 agency providing income or energy assistance and from any 21 employer, whether public or private.

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

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- (f) The Department may, if sufficient funds are available, provide additional benefits to certain qualified applicants:
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(i) for the reduction of past due amounts owed to energy providers; and

5 (ii) to assist the household in responding to 6 excessively high summer temperatures or energy costs. 7 Households containing elderly members, children, a person 8 with a disability, or a person with a medical need for 9 conditioned air shall receive priority for receipt of such 10 benefits.

11 (Source: P.A. 101-636, eff. 6-10-20.)

12 (305 ILCS 20/13)

13 (Section scheduled to be repealed on January 1, 2025) Sec. 13. Supplemental Low-Income Energy Assistance Fund. 14 15 (a) The Supplemental Low-Income Energy Assistance Fund is 16 hereby created as a special fund in the State Treasury. Notwithstanding any other law to the contrary, the 17 18 Supplemental Low-Income Energy Assistance Fund is not subject to sweeps, administrative charge-backs, or any other fiscal or 19 20 budgetary maneuver that would in any way transfer any amounts 21 from the Supplemental Low-Income Energy Assistance Fund into 22 any other fund of the State. The Supplemental Low-Income 23 Energy Assistance Fund is authorized to receive moneys from 24 donations from individuals, foundations, voluntarv 25 corporations, and other sources, moneys received pursuant to

Section 17, and, by statutory deposit, the moneys collected 1 2 pursuant to this Section. The Fund is also authorized to 3 receive voluntary donations from individuals, foundations, corporations, and other sources. Subject to appropriation, the 4 5 Department shall use moneys from the Supplemental Low-Income 6 Energy Assistance Fund for payments to electric or gas public utilities, municipal electric or gas utilities, and electric 7 8 cooperatives on behalf of their customers who are participants 9 in the program authorized by Sections 4 and 18 of this Act, for 10 the provision of weatherization services and for 11 administration of the Supplemental Low-Income Energy 12 Assistance Fund. All other deposits outside of the Energy 13 Assistance Charge as set forth in subsection (b) are not 14 subject to the percentage restrictions related to administrative and weatherization expenses provided in this 15 16 subsection. The yearly expenditures for weatherization may not 17 exceed 10% of the amount collected during the year pursuant to this Section, except when unspent funds from the Supplemental 18 19 Low-Income Energy Assistance Fund are reallocated from a previous year; any unspent balance of the 10% weatherization 20 21 allowance may be utilized for weatherization expenses in the 22 year they are reallocated. The yearly administrative expenses 23 of the Supplemental Low-Income Energy Assistance Fund may not 24 exceed 13% 10% of the amount collected during that year 25 pursuant to this Section, except when unspent funds from the 26 Supplemental Low-Income Energy Assistance Fund are reallocated - 7 - LRB102 15310 KTG 20666 b

1 from a previous year; any unspent balance of the <u>13%</u> <del>10%</del> 2 administrative allowance may be utilized for administrative 3 expenses in the year they are reallocated. <u>Of the 13%</u> 4 <u>administrative allowance, no less than 8% shall be provided to</u> 5 Local Administrative Agencies for administrative expenses.

(b) Notwithstanding the provisions of Section 16-111 of 6 7 the Public Utilities Act but subject to subsection (k) of this 8 Section, each public utility, electric cooperative, as defined 9 in Section 3.4 of the Electric Supplier Act, and municipal 10 utility, as referenced in Section 3-105 of the Public 11 Utilities Act, that is engaged in the delivery of electricity 12 or the distribution of natural gas within the State of Illinois shall, effective January 1, 2021 effective January 1, 13 14 1998, assess each of its customer accounts a monthly Energy 15 Assistance Charge for the Supplemental Low-Income Energy 16 Assistance Fund. The delivering public utility, municipal 17 electric or gas utility, or electric or gas cooperative for a self-assessing purchaser remains subject to the collection of 18 19 the fee imposed by this Section. The monthly charge shall be as 20 follows:

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

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

25 (3) Ten times the Base Energy Assistance Charge per
 26 month on each account for non-residential electric service

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1 which had less than 10 megawatts of peak demand during the 2 previous calendar year; 3 (4) Ten times the Base Energy Assistance Charge per month on each account for non-residential gas service 4 5 which had distributed to it less than 4,000,000 therms of 6 gas during the previous calendar year; (5) Three hundred and seventy-five times the Base 7 8 Energy Assistance Charge per month on each account for 9 non-residential electric service which had 10 megawatts or 10 greater of peak demand during the previous calendar year; 11 and 12 (6) Three hundred and seventy-five times the Base Energy Assistance Charge per month on each account For 13 14 non-residential gas service which had 4,000,000 or more therms of gas distributed to it during the previous 15 16 calendar year. The Base Energy Assistance Charge shall be \$0.48 per month 17 for the calendar year beginning January 1, 2022 and shall 18 increase by \$0.16 per month for any calendar year, provided no 19 20 less than 80% of the previous State fiscal year's available 21 Supplemental Low-Income Energy Assistance Fund funding was 22 exhausted. The maximum Base Energy Assistance Charge shall not 23 exceed \$0.96 per month for any calendar year. 24 (1) \$0.48 per month on each account for residential 25 electric service;

(2) \$0.48 per month on each account for residential

1 qas service; 2 (3)\$4.80 per month on each account for non-residential electric service which had less than 10 3 megawatts of peak demand during the previous calendar 4 5 <del>year;</del> 6 (4) \$4.80 per month on each <del>account for</del> 7 non residential gas service which had distributed to 8 less than 4,000,000 therms of gas during the 9 calendar year; 10 (5) \$360 per month on each account for non residential 11 electric service which had 10 megawatts or greater of peak 12 demand during the previous calendar year; and 13 (6) \$360 per month on each account for non-residential gas service which had 4,000,000 or more therms of gas 14 15 distributed to it during the previous calendar year. 16 The incremental change to such charges imposed by Public 17 Act 99-933 and this amendatory Act of the 102nd General Assembly this amendatory Act of the 96th General Assembly 18 shall not (i) be used for any purpose other than to directly 19 20 assist customers and (ii) be applicable to utilities serving less than 25,000 100,000 customers in Illinois on January 1, 21 22 2021 <del>2009</del>. The incremental change to such charges imposed by 23 this amendatory Act of the 102nd General Assembly are intended 24 to increase utilization of the Percentage of Income Payment 25 Plan (PIPP or PIP Plan) and shall be applied such that PIP Plan enrollment is at least doubled, as compared to 26 2020

### 1 <u>enrollment</u>, by 2024.

2 In addition, electric and gas utilities have committed, 3 and shall contribute, a one-time payment of \$22 million to the Fund, within 10 days after the effective date of the tariffs 4 5 established pursuant to Sections 16-111.8 and 19-145 of the Public Utilities Act to be used for the Department's cost of 6 implementing the programs described in Section 18 of this 7 amendatory Act of the 96th General Assembly, the Arrearage 8 9 Reduction Program described in Section 18, and the programs described in Section 8-105 of the Public Utilities Act. If a 10 11 utility elects not to file a rider within 90 days after the 12 effective date of this amendatory Act of the 96th General Assembly, then the contribution from such utility shall be 13 14 made no later than February 1, 2010.

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(c) For purposes of this Section:

16 (1)"residential electric service" means electric 17 utility service for household purposes delivered to a dwelling of 2 or fewer units which is billed under a 18 electric utility service 19 residential rate, or for 20 household purposes delivered to a dwelling unit or units which is billed under a residential rate and is registered 21 22 by a separate meter for each dwelling unit;

(2) "residential gas service" means gas utility
service for household purposes distributed to a dwelling
of 2 or fewer units which is billed under a residential
rate, or gas utility service for household purposes

distributed to a dwelling unit or units which is billed under a residential rate and is registered by a separate meter for each dwelling unit;

4 (3) "non-residential electric service" means electric
5 utility service which is not residential electric service;
6 and

7 (4) "non-residential gas service" means gas utility
8 service which is not residential gas service.

9 (d) Within 30 days after the effective date of this 10 amendatory Act of the 96th General Assembly, each public utility engaged in the delivery of electricity or the 11 12 distribution of natural gas shall file with the Illinois 13 Commission tariffs incorporating Commerce the Energy 14 Assistance Charge in other charges stated in such tariffs, 15 which shall become effective no later than the beginning of 16 the first billing cycle following such filing.

(e) The Energy Assistance Charge assessed by electric and
gas public utilities shall be considered a charge for public
utility service.

(f) By the 20th day of the month following the month in which the charges imposed by the Section were collected, each public utility, municipal utility, and electric cooperative shall remit to the Department of Revenue all moneys received as payment of the Energy Assistance Charge on a return prescribed and furnished by the Department of Revenue showing such information as the Department of Revenue may reasonably

require; provided, however, that a utility offering an 1 2 Arrearage Reduction Program or Supplemental Arrearage Reduction Program pursuant to Section 18 of this Act shall be 3 entitled to net those amounts necessary to fund and recover 4 5 the costs of such Programs as authorized by that Section that 6 is no more than the incremental change in such Energy Assistance Charge authorized by Public Act 96-33. 7 Ιf a 8 customer makes a partial payment, a public utility, municipal 9 utility, or electric cooperative may elect either: (i) to 10 apply such partial payments first to amounts owed to the 11 utility or cooperative for its services and then to payment 12 for the Energy Assistance Charge or (ii) to apply such partial 13 payments on a pro-rata basis between amounts owed to the 14 utility or cooperative for its services and to payment for the 15 Energy Assistance Charge.

16 If any payment provided for in this Section exceeds the 17 distributor's liabilities under this Act, as shown on an original return, the Department may authorize the distributor 18 19 to credit such excess payment against liability subsequently 20 to be remitted to the Department under this Act, in accordance 21 with reasonable rules adopted by the Department. If the 22 Department subsequently determines that all or any part of the 23 credit taken was not actually due to the distributor, the distributor's discount shall be reduced by an amount equal to 24 25 the difference between the discount as applied to the credit 26 taken and that actually due, and that distributor shall be

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1 liable for penalties and interest on such difference.

2 The Department of Revenue shall deposit into the (q) 3 Supplemental Low-Income Energy Assistance Fund all moneys remitted to it in accordance with subsection (f) of this 4 5 Section. ; provided, however, that the amounts remitted by 6 each utility shall be used to provide assistance to that 7 utility's customers. The utilities shall coordinate with the 8 Department to establish an equitable and practical methodology 9 for implementing this subsection (g) beginning with the 2010 10 program year.

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

16 (i) The Department of Revenue may establish such rules as17 it deems necessary to implement this Section.

18 (j) The Department of Commerce and Economic Opportunity 19 may establish such rules as it deems necessary to implement 20 this Section.

(k) The charges imposed by this Section shall only apply to customers of municipal electric or gas utilities and electric or gas cooperatives if the municipal electric or gas utility or electric or gas cooperative makes an affirmative decision to impose the charge. If a municipal electric or gas utility or an electric cooperative makes an affirmative

decision to impose the charge provided by this Section, the 1 2 municipal electric or gas utility or electric cooperative 3 shall inform the Department of Revenue in writing of such decision when it begins to impose the charge. If a municipal 4 5 electric or gas utility or electric or gas cooperative does 6 not assess this charge, the Department may not use funds from the Supplemental Low-Income Energy Assistance Fund to provide 7 8 benefits to its customers under the program authorized by 9 Section 4 of this Act.

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

14 This Section is repealed on January 1, 2025 unless renewed 15 by action of the General Assembly.

16 (Source: P.A. 99-457, eff. 1-1-16; 99-906, eff. 6-1-17; 17 99-933, eff. 1-27-17; 100-863, eff. 8-14-18; 100-1171, eff. 18 1-4-19.)

19 (305 ILCS 20/18)

20 Sec. 18. Financial assistance; payment plans.

(a) The Percentage of Income Payment Plan (PIPP or PIP
Plan) is hereby created as a mandatory bill payment assistance
program for low-income residential customers of utilities
serving more than 25,000 100,000 retail customers as of
January 1, 2021 2009. The PIP Plan will:

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(1) bring participants' gas and electric bills into
 the range of affordability;

3 (2) provide incentives for participants to make timely
 4 payments;

5 (3) encourage participants to reduce usage and 6 participate in conservation and energy efficiency measures 7 that reduce the customer's bill and payment requirements; 8 and

9 (4) identify participants whose homes are most in need
 10 of weatherization; and -

11(5) endeavor to maximize participation and spend at12least 80% of the funding available for the year.

(b) For purposes of this Section:

(1) "LIHEAP" means the energy assistance program
 established under the Illinois Energy Assistance Act and
 the Low-Income Home Energy Assistance Act of 1981.

(2) "Plan participant" is an eligible participant who
is also eligible for the PIPP and who will receive either a
percentage of income payment credit under the PIPP
criteria set forth in this Act or a benefit pursuant to
Section 4 of this Act. Plan participants are a subset of
eligible participants.

(3) "Pre-program arrears" means the amount a plan
participant owes for gas or electric service at the time
the participant is determined to be eligible for the PIPP
or the program set forth in Section 4 of this Act.

(4) "Eligible participant" means any person who has
 applied for, been accepted and is receiving residential
 service from a gas or electric utility and who is also
 eligible for LIHEAP or otherwise satisfies the eligibility
 <u>criteria set forth in paragraph (1) of subsection (c)</u>.
 (c) The PIP Plan shall be administered as follows:

Department shall coordinate with Local 7 (1)The 8 Administrative Agencies (LAAs), to determine eligibility 9 for the Illinois Low Income Home Energy Assistance Program 10 (LIHEAP) pursuant to the Energy Assistance Act, provided 11 that eligible income shall be no more than 150% of the poverty level or 60% of the State median income, except 12 13 that for the period from the effective date of this 14 amendatory Act of the 101st General Assembly through June 15 30, 2021, eligible income shall be no more than 200% of the 16 poverty level. Applicants will be screened to determine 17 whether the applicant's projected payments for electric service or natural gas service over a 12-month period 18 19 exceed the criteria established in this Section. The 20 Department, in consultation with the Policy Advisory 21 Council, may adjust the percentage of poverty level annually to determine income eligibility. To maintain the 22 23 financial integrity of the program, the Department may 24 limit eligibility to households with income below 125% of 25 the poverty level.

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(2) The Department shall establish the percentage of

1	income formula to determine the amount of a monthly credit
2	for participants with eligible income based on poverty
3	level. , not to exceed \$150 per month per household, not to
4	exceed \$1,800 annually; however, for the period from the
5	effective date of this amendatory Act of the 101st General
6	Assembly through June 30, 2021, the monthly credit for
7	participants with eligible income over 100% of the poverty
8	level may be as much as \$200 per month per household, not
9	to exceed \$2,400 annually, and, the monthly credit for
10	participants with eligible income 100% or less of the
11	poverty level may be as much as \$250 per month per
12	household, not to exceed \$3,000 annually. Credits will be
13	applied to PIP Plan participants' utility bills based on
14	the portion of the bill that is the responsibility of the
15	participant provided that the percentage shall be no more
16	than a total of 6% of the relevant income for gas and
17	electric utility bills combined, but in any event no less
18	than \$10 per month, unless the household does not pay
19	directly for heat, in which case its payment shall be 2.4 $\%$
20	of income but in any event no less than \$5 per month. The
21	Department, in consultation with the Policy Advisory
22	Council, may adjust such monthly credit amounts annually
23	and may establish a minimum credit amount based on the
24	cost of administering the program and may deny credits to
25	otherwise eligible participants if the cost of
26	administering the credit exceeds the actual amount of any

monthly credit to a participant. If the participant takes 1 2 both gas and electric service, 50% 66.67% of the credit 3 shall be allocated to the entity that provides the participant's primary energy supply for heating. Each 4 5 participant shall enter into a levelized payment plan for, as applicable, gas and electric service and such plans 6 7 implemented by the utility so shall be that а 8 participant's usage and required payments are reviewed and 9 adjusted regularly, but no more frequently than guarterly. Nothing in this Section is intended to prohibit a 10 11 customer, who is otherwise eligible for LIHEAP, from 12 participating in the program described in Section 4 of this Act. Eligible participants who receive such a benefit 13 14 shall be considered plan participants and shall be 15 eligible to participate in the Arrearage Reduction Program 16 described in item (5) of this subsection (c).

17 (3) The Department shall remit, through the LAAs, to the utility or participating alternative supplier that 18 19 portion of the plan participant's bill that is not the 20 responsibility of the participant. In the event that the 21 Department fails to timely remit payment to the utility, 22 the utility shall be entitled to recover all costs related 23 to such nonpayment through the automatic adjustment clause 24 tariffs established pursuant to Section 16-111.8 and 25 Section 19-145 of the Public Utilities Act. For purposes 26 of this item (3) of this subsection (c), payment is due on

the date specified on the participant's bill. The Department, the Department of Revenue and LAAs shall adopt processes that provide for the timely payment required by this item (3) of this subsection (c).

5 (4) A plan participant is responsible for all actual charges for utility service in excess of the PIPP credit. 6 7 Pre-program arrears that are included in the Arrearage 8 Reduction Program described in item (5) of this subsection 9 (c) shall not be included in the calculation of the levelized payment plan. Emergency or crisis assistance 10 11 payments shall not affect the amount of any PIPP credit to 12 which a participant is entitled.

13 (5) Electric and gas utilities subject to this Section 14 shall implement an Arrearage Reduction Program (ARP) for 15 plan participants as follows: for each month that a plan 16 participant timely pays his or her utility bill, the 17 utility shall apply a credit to a portion of the participant's pre-program arrears, if 18 any, equal to 19 one-twelfth of such arrearage provided that the total 20 amount of arrearage credits shall equal no more than 21 \$1,000 annually for each participant for gas and no more 22 than \$1,000 annually for each participant for electricity. 23 the third year of the PIPP, the Department, in In consultation with the Policy Advisory Council established 24 pursuant to Section 5 of this Act, shall determine by rule 25 26 an appropriate per participant total cap on such amounts,

if any. Those plan participants participating in the ARP 1 2 shall not be subject to the imposition of any additional 3 late payment fees on pre-program arrears covered by the ARP. In all other respects, the utility shall bill and 4 collect the monthly bill of a plan participant pursuant to 5 the same rules, regulations, programs and policies as 6 7 to residential customers applicable generally. 8 Participation in the Arrearage Reduction Program shall be 9 limited to the maximum amount of funds available as set 10 forth in subsection (f) of Section 13 of this Act. In the 11 event any donated funds under Section 13 of this Act are 12 specifically designated for the purpose of funding the 13 ARP, the Department shall remit such amounts to the 14 utilities upon verification that such funds are needed to 15 fund the ARP. Nothing in this Section shall preclude a 16 utility from continuing to implement, and apply credits 17 under, an ARP in the event that the PIPP or LIHEAP is suspended due to lack of funding such that the plan 18 19 participant does not receive a benefit under either the 20 PIPP or LIHEAP.

(5.5) In addition to the ARP described in paragraph (5) of this subsection (c), utilities may also implement a Supplemental Arrearage Reduction Program (SARP) for eligible participants who are not able to become plan participants due to PIPP timing or funding constraints. If a utility elects to implement a SARP, it shall be

administered as follows: for each month that a 1 SARP 2 participant timely pays his or her utility bill, the 3 utility shall apply a credit to a portion of the participant's pre-program arrears, if any, equal 4 to 5 one-twelfth of such arrearage, provided that the utility may limit the total amount of arrearage credits to no more 6 7 than \$1,000 annually for each participant for gas and no 8 more than \$1,000 annually for each participant for 9 electricity. SARP participants shall not be subject to the 10 imposition of any additional late payment fees on 11 pre-program arrears covered by the SARP. In all other 12 respects, the utility shall bill and collect the monthly 13 bill of а SARP participant under the same rules, 14 regulations, programs, and policies as applicable to 15 residential customers generally. Participation in the SARP 16 shall be limited to the maximum amount of funds available 17 as set forth in subsection (f) of Section 13 of this Act. In the event any donated funds under Section 13 of this Act 18 19 are specifically designated for the purpose of funding the 20 SARP, the Department shall remit such amounts to the 21 utilities upon verification that such funds are needed to 22 fund the SARP.

(6) The Department may terminate a plan participant's
eligibility for the PIP Plan upon notification by the
utility that the participant's monthly utility payment is
more than <u>75</u> 45 days past due. <u>One-twelfth of a customer's</u>

# arrearage shall be deducted from the total arrearage owed for each on-time payment made by the customer.

3 (7) The Department, in consultation with the Policy Advisory Council, may adjust the number of PIP Plan 4 5 participants annually, if necessary, to match the 6 availability of funds. Any plan participant who qualifies 7 for a PIPP credit under a utility's PIPP shall be entitled 8 participate in and receive a credit under such to 9 utility's ARP for so long as such utility has ARP funds 10 available, regardless of whether the customer's 11 participation under another utility's PIPP or ARP has been 12 curtailed or limited because of a lack of funds.

13 (8) The Department shall fully implement the PIPP at 14 the earliest possible date it is able to effectively 15 administer the PIPP. Within 90 days of the effective date 16 of this amendatory Act of the 96th General Assembly, the 17 Department shall, in consultation with utility companies, participating alternative suppliers, LAAs and the Illinois 18 19 Commerce Commission (Commission), issue detailed а 20 implementation plan which shall include detailed testing 21 protocols and analysis of the capacity for implementation 22 by the LAAs and utilities. Such consultation process also 23 shall address how to implement the PIPP in the most 24 cost-effective and timely manner, and shall identify 25 opportunities for relying on the expertise of utilities, 26 LAAs and the Commission. Following the implementation of

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the testing protocols, the Department shall issue a written report on the feasibility of full or gradual implementation. The PIPP shall be fully implemented by September 1, 2011, but may be phased in prior to that date.

5 (9) As part of the screening process established under item (1) of this subsection (c), the Department and LAAs 6 7 shall assess whether any energy efficiency or demand 8 response measures are available to the plan participant at 9 no cost, and if so, the participant shall enroll in any 10 such program for which he or she is eligible. The LAAs 11 shall assist the participant in the applicable enrollment 12 or application process.

13 (10) Each alternative retail electric and gas supplier 14 serving residential customers shall elect whether to 15 participate in the PIPP or ARP described in this Section. 16 Any such supplier electing to participate in the PIPP 17 shall provide to the Department such information as the Department may require, including, without limitation, 18 information sufficient for the Department to determine the 19 20 proportionate allocation of credits between the 21 alternative supplier and the utility. If a utility in 22 whose service territory an alternative supplier serves 23 customers contributes money to the ARP fund which is not 24 recovered from ratepayers, then an alternative supplier 25 which participates in ARP in that utility's service 26 territory shall also contribute to the ARP fund in an 1 amount that is commensurate with the number of alternative 2 supplier customers who elect to participate in the 3 program.

4 (11) The PIPP shall be designed and implemented each
5 year to maximize participation and spend at least 80% of
6 the funding available for the year.

7 The Department, in consultation with the Policy (d) 8 Advisory Council, shall develop and implement a program to 9 educate customers about the PIP Plan and about their rights 10 and responsibilities under the percentage of income component. 11 The Department, in consultation with the Policy Advisory 12 Council, shall establish a process that LAAs shall use to contact customers in jeopardy of losing eligibility due to 13 14 late payments. The Department shall ensure that LAAs are 15 adequately funded to perform all necessary educational tasks.

(e) The PIPP shall be administered in a manner which ensures that credits to plan participants will not be counted as income or as a resource in other means-tested assistance programs for low-income households or otherwise result in the loss of federal or State assistance dollars for low-income households.

(f) In order to ensure that implementation costs are minimized, the Department and utilities shall work together to identify cost-effective ways to transfer information electronically and to employ available protocols that will minimize their respective administrative costs as follows:

1 (1) The Commission may require utilities to provide 2 such information on customer usage and billing and payment 3 information as required by the Department to implement the 4 PIP Plan and to provide written notices and communications 5 to plan participants.

6 (2) Each utility and participating alternative 7 supplier shall file annual reports with the Department and 8 the Commission that cumulatively summarize and update 9 program information as required by the Commission's rules. 10 The reports shall track implementation costs and contain 11 such information as is necessary to evaluate the success 12 of the PIPP.

13 (2.5) The Department shall annually prepare and submit 14 a report to the General Assembly, the Commission, and the Policy Advisory Council that identifies the following 15 16 amounts for the most recently completed year: total monies 17 collected under subsection (b) of Section 13 of this Act for all PIPPs implemented in the State; monies allocated 18 19 to each utility for implementation of its PIPP; and monies 20 allocated to each utility for other purposes, including a 21 description of each of those purposes. The Commission 22 shall publish the report on its website.

(3) The Department and the Commission shall have the
authority to promulgate rules and regulations necessary to
execute and administer the provisions of this Section.
(g) Each utility shall be entitled to recover reasonable

1 administrative and operational costs incurred to comply with 2 Section from the Supplemental this Low Income Energy Assistance Fund. The utility may net such costs against monies 3 4 it would otherwise remit to the Funds, and each utility shall 5 include in the annual report required under subsection (f) of 6 this Section an accounting for the funds collected.

7 (Source: P.A. 101-636, eff. 6-10-20.)

8 (305 ILCS 20/20 new)

9 <u>Sec. 20. Expanded eliqibility. All programs pursuant to</u> 10 this Act shall be available to eliqible low-income Illinois 11 residents who qualify for assistance under Sections 6 and 18, 12 regardless of immigration status, using the Supplemental 13 Low-Income Energy Assistance Fund for customers of utilities 14 and vendors that collect the Energy Assistance Charge and pay 15 into the Supplemental Low-Income Energy Assistance Fund.