

1 AN ACT concerning public utilities.

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

4 Section 5. The State Finance Act is amended by adding
5 Section 5.595 as follows:

6 (30 ILCS 105/5.595 new)

7 Sec. 5.595. The Universal Service Surcharge Fund.

8 Section 10. The Public Utilities Act is amended by
9 adding Sections 8-207.5 and 9-222.4 as follows:

10 (220 ILCS 5/8-207.5 new)

11 Sec. 8-207.5. Percentage of Income Payment Plan.

12 (a) An electric or gas public utility that provides
13 service to consumers in Illinois shall participate in the
14 Percentage of Income Payment Plan established under the
15 Energy Assistance Act of 1989.

16 (b) As a part of the percentage of income payment plan,
17 an electric or gas public utility shall establish and
18 implement an arrearage forgiveness program for consumers who
19 are participating in the plan. The arrearage forgiveness
20 program shall provide that one-twelfth of a participant's
21 arrears shall be forgiven for every 3 months of
22 participation in the plan.

23 (c) Notwithstanding any other provision of this Act, an
24 electric or gas public utility may not disconnect service to
25 any residential customer who is a participant in the
26 Percentage of Income Payment Plan.

27 (220 ILCS 5/9-222.4 new)

28 Sec. 9-222.4. Universal Service Fund Surcharge.

1 (a) The Commission shall establish a surcharge
2 (universal service rider) to be imposed by a public utility
3 upon gas and electricity service provided to consumers in
4 this State. The amount that may be recovered under the
5 universal service rider for a given year shall be limited to
6 the amount by which the cost of gas or electricity provided
7 to consumers participating in the Percentage of Income
8 Payment Plan exceeds the amount paid by those consumers for
9 gas or electricity. The amount of the surcharge shall be
10 adjusted each year to reflect the actual costs incurred
11 during the previous year.

12 (b) Moneys received under the universal service rider
13 shall be paid to the Commission and deposited into the
14 Universal Service Surcharge Fund, a special fund hereby
15 created in the State Treasury. Subject to appropriation, the
16 moneys in the Universal Service Surcharge Fund shall be used
17 to pay providers of gas or electricity the amount by which
18 the cost of gas or electricity provided to consumers
19 participating in the Percentage of Income Payment Plan
20 exceeded the amount paid by those consumers to the provider
21 for that gas or electricity.

22 Section 15. The Energy Assistance Act of 1989 is amended
23 by adding Section 4.5 as follows:

24 (305 ILCS 20/4.5 new)

25 Sec. 4.5. Percentage of Income Payment Plan.

26 (a) In addition to the energy assistance program
27 established under Section 4, the Department shall institute a
28 Percentage of Income Payment Plan to further ensure the
29 availability of heating and electric service to low income
30 citizens. The Department shall implement the plan by rule.
31 The plan shall be consistent with the objectives of this
32 Section. The Department shall ensure that the plan is in

1 operation by November 1, 2004, and may enter into such
2 contracts and other agreements with local agencies as may be
3 necessary for the purpose of administering the plan.

4 (b) The plan shall be coordinated with the energy
5 assistance program. Application for benefits shall be made
6 jointly for both the Percentage of Income Payment Plan and
7 the energy assistance program. An applicant for the
8 Percentage of Income Payment Plan must also apply for the
9 energy assistance program. In determining benefit
10 distribution under the energy assistance program and the
11 Percentage of Income Payment Plan, the Department shall
12 consider utility prices, household size, income, and
13 geographic location. The amounts distributed under the energy
14 assistance program shall not exceed 40% of energy costs for
15 the lowest income level of eligible households nor 15% of
16 energy costs for the highest income level of eligible
17 households.

18 (c) In order to be eligible for the Percentage of Income
19 Payment Plan, an applicant must have a household income that
20 is at or below 150% of the federal poverty level. A resident
21 eligible to participate in the plan shall be required to pay
22 no more than 6% of his or her annual income for gas and
23 electric service. A resident whose household income is at or
24 below 50% of the federal poverty level shall be required to
25 pay no more than 3% of his or her annual income for gas and
26 electric service. For purposes of this subsection, a
27 consumer's annual gas and electric costs shall be determined
28 after deducting any amounts the consumer receives under the
29 energy assistance program and all other energy assistance
30 programs.