

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION

Illinois Commerce Commission	)	
on its Own Motion:	)	
	)	Docket No. 20-0309
	)	
In the Matter of Moratorium on Disconnection	)	
of Utility Services during the Public Health	)	
Emergency Declared on March 9, 2020	)	
pursuant to Sections 4 and 7 of the	)	
Illinois Emergency Management Agency Act	)	

STAFF OF THE ILLINOIS COMMERCE COMMISSION'S  
UNOPPOSED MOTION FOR ENTRY OF AN ORDER  
APPROVING AND ADOPTING STIPULATION  
RESOLVING ALL ISSUES BETWEEN VARIOUS PARTIES

NOW COMES the Staff of the Illinois Commerce Commission (Staff), by and through its undersigned counsel, and pursuant to Rule of Practice 200.190, moves for entry and approval of a Stipulation between and among several of the parties and Staff, which will, if entered and approved, resolve all contested matters between the Large Utility Group, as described below, the Joint Consumer Parties, as described below, and Staff. In support thereof, Staff respectfully states as follows:

1. On March 9, 2020, Governor JB Pritzker issued a Declaration under Sections 4 and 7 of the Illinois Emergency Management Agency Act (IEMA Act), finding that as a result of the global COVID-19 epidemic and the presence of COVID-19 cases in Illinois, a public health emergency exists in the State of Illinois within the meaning of Section 4 of the IEMA Act, and declaring all 102 counties within the State to be disaster areas within the meaning of Section 7 of the IEMA Act.

2. The public health emergency was to remain in effect through and including April 30, 2020. On April 30, 2020, Governor Pritzker issued a Proclamation which had the

effect of extending the public health emergency through and including May 30, 2020. On May 29, 2020, Governor Pritzker issued a Proclamation which had the effect of extending the public health emergency through and including June 28, 2020.

3. On March 18, 2020, the Commission entered its Emergency Interim Order, which directed Illinois gas, water, sewer and electric distribution utilities to immediately cease disconnections of utility services during the public health emergency to ensure the health and safety of the State's utility customers, and to cease giving notice of disconnection of utility service. In the Emergency Interim Order, the Commission directed gas, water, sewer and electric distribution utilities to cease disconnecting customers for non-payment and imposing late-payment fees or penalties, until May 1, 2020 or until the Governor announces the end of the COVID-19 state of emergency, if the state of emergency continues past May 1, 2020. Emergency Interim Order, 4-5, 7. In so ordering, the Commission determined that “[a]ccess to essential utility service will be necessary to slow the spread of the [COVID-19 infection] and to protect public health.” Id., 4.

4. The Commission also directed each utility to implement “revised and more flexible ... credit and collections procedures ... to ensure that customers remain connected to essential utility services when the emergency status ends.” Emergency Interim Order, 4, 7. The Commission directed that such procedures be “more flexible ... than the minimum standards outlined in Part 280 [fn] of the Commission’s Rules[,]” and that such procedures “remain in effect for a period of no less than six (6) months.” Id., 4 (footnote omitted). The Commission directed each utility to “file a response to [the Emergency Interim Order], identifying: (a) whether it will voluntarily cease disconnections for non-payment, and suspend the imposition of late payment fees or penalties, ... ; and

(b) the proposed flexible credit and collections procedures, as described above[.]”<sup>1</sup>  
Emergency Interim Order, 7.

5. On March 20, 2020, a duly appointed Administrative Law Judge (ALJ) directed that utility responses to the Emergency Interim Order were due within seven (7) business days. Notice of ALJ Ruling (March 20, 2020). The ALJ set the matter over for a prehearing conference on April 2, 2020.

6. On March 27, 2020, the following utilities filed the required responses: Commonwealth Edison Company (ComEd), The Peoples Gas, Light and Coke Company and North Shore Gas Company (jointly, PGL / NS), the MidAmerican Energy Company (MidAmerican), the Consumers Gas Company (Consumers), the Illinois Gas Company (IGC), Aqua Illinois, Inc. (Aqua), the Northern Illinois Gas Company d/b/a Nicor Gas Company (Nicor Gas), the Mt. Carmel Public Utility Co. (Mt. Carmel), Utility Services of Illinois, Inc. (USI), the Illinois-American Water Company (Illinois-American or IAWC), Liberty Utilities (Midstates Natural Gas) Corp. (Liberty), and the Ameren Illinois Company d/b/a Ameren Illinois (Ameren Illinois). On April 8, 2020, Rockwell Utilities, LLC (Rockwell) joined as a respondent to the Emergency Interim Order and filed its Response and plan. Each utility responding stated on the record in this proceeding that it has ceased both disconnections and the sending of notices of disconnection for the duration of the public health emergency.

7. On March 30, 2020, the ALJ issued an order which, among other things, directed the Staff and any intervenors to submit responses, if any, to utility plans by April

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<sup>1</sup> Any utility that considered itself unable to comply was ordered to “show cause why it is unable to issue said moratorium and revised credit and collections procedure[.]” Emergency Interim Order, 7. No utility has elected to do so to date.

6, 2020. Notice of ALJ Ruling (March 30, 2020). The Attorney General (AG) and the City of Chicago (City) filed appearances and the not-for-profit entity Community Organizing and Family Issues (COFI), the Citizens Utility Board (“CUB”) and Allen Cherry either submitted notices of intervention or were granted leave to intervene. On April 2, 2020, a pre-hearing conference was convened, in the course of which the ALJ also set a schedule for further proceedings with respect to determining the utilities’ compliance with the Emergency Interim Order. Notice of Continuance and Notice of Schedule (April 3, 2020).

8. On April 6, 2020, Staff, the AG, CUB, Allen Cherry and COFI filed Responses. On April 10, 2020, Staff, ComEd, NSG-PGL, MidAmerican, Mt. Carmel, IGC, Liberty, Aqua, IAWC, USI, Ameren Illinois, the City, COFI, Nicor Gas, and the AG submitted Replies to other parties’ April 6 Responses. On April 15, 2020, Archer-Daniels-Midland Company and Caterpillar Inc., as members of the Illinois Industrial Energy Consumers (IIEC), and the Legal Aid Society of Metropolitan Family Services (Legal Aid) were granted leave to intervene.

9. On April 20, 2020, the ALJs, of whom two were now assigned, issued a Proposed Order.

10. In April of this year, the parties commenced negotiations to determine whether a negotiated settlement might be reached. These negotiations took place over a two-month period and involved detailed discussions of various proposals from the standpoint of effectiveness, feasibility, lawfulness, and cost recovery, among other issues. The negotiations were conducted by all parties in good faith, and at arms’-length. See Verified Statement of Richard W. Bridal II.

11. A Stipulation resulted from these negotiations. The stipulating parties include the Large Utility Group, consisting of ComEd, Nicor, the NSG-PGL, Ameren Illinois, Aqua, USI and Illinois-American; the Joint Consumer Parties, consisting of the AG, CUB, the City, COFI, Legal Aid and Mr. Cherry; and Staff. The Illinois Industrial Energy Consumers do not oppose the Stipulation.

12. The Stipulation, which is attached hereto as Exhibit A, provides, in very broad summary, for the implementation of the following credit and collection measures:

- a. An extension of the period during which utilities will not disconnect customers for non-payment;
- b. Provision by utilities of notice to customers of the existence of more flexible credit and collection policies, and the availability of certain relief to certain customers;
- c. Reconnection without fee of customers disconnected for non-payment during specified periods prior to the Emergency Interim Order and not already reconnected by the utility;
- d. Offering of extended deferred payment arrangements (DPAs) to residential customers;
- e. Waiver of customer deposits that would otherwise be required as a result of late payment or non-payment;
- f. Continuation of non-reporting to credit reporting agencies of late or non-payment;

- g. Creation of Bill Payment Assistance Programs by each utility, pursuant to which each utility agrees to forgive arrearages owed by eligible customers up to a certain aggregate sum;
- h. Initiation of certain data reporting related to credit and collection and certain cost reporting;
- i. Initiation of discussions regarding affordability; and
- j. Agreed methods by which utilities may recover prudently-incurred costs of such measures.

13. The Stipulation will, if approved, result in implementation by the Large Utility Group of credit and collection policies more flexible than the minimum standards outlined in Part 280 of the Commission's Rules, the majority of which will remain in effect for a period of no less than six months after the end of the public health emergency, with the goal of ensuring that customers remain connected to essential utility services when the emergency status ends. Accordingly, the credit and collection policies called for by the Stipulation satisfy the requirements of the Commission's Emergency Interim Order. See Bridal Verified Statement, 7.

14. The Large Utility Group will, by the terms of the Stipulation, use one of two methods to recover costs associated with the credit and collection policies implemented through the Stipulation as well as other COVID-19 related costs. The Gas and Water utilities in the Large Utility Group will recover costs through a surcharge imposed by a COVID-19 Special Purpose Rider. See Bridal Verified Statement, 7-8.

15. By the terms of the Stipulation, Electric Formula Rate Utilities in the Large Utility Group will recover their prudently incurred uncollectibles costs by temporarily

switching, for the period of June 2020 through December 2020, from using net write-offs to using uncollectible accounts expense as set forth in FERC Account 904, and to recover such amounts through existing uncollectible riders. See Bridal Verified Statement, 7-8. In addition, the Stipulation recognizes that the Electric Formula Rate Utilities may recover COVID-19 Related Costs as delivery services costs and as authorized by 220 ILCS 5/16-108.5(c) and (d), and may amortize such costs under 220 ILCS 5/16-108.5(c)(4)(F) if they exceed the minimum amounts stated in that subsection applicable to each utility.

16. In summary, therefore, the credit and collection policies that will be implemented as a result the Stipulation are more flexible than those required by Part 280 of the Commission's rules, and serve the goal of ensuring that customers remain connected to essential utility services when the emergency status ends.. Further, the methods of cost recovery that will be implemented as a result of each of the Stipulations are consistent with the Public Utilities Act. The Commission should enter and issue an Order adopting the Stipulation.

17. The Staff has contacted each of the active parties to this proceeding. The following parties support this Motion: the members of the Large Utility Group, as set forth above; the Staff, the AG, CUB, the City, COFI, Legal Aid and Mr. Cherry The following parties do not object to this Motion: IIEC.

WHEREFORE, the Staff of Illinois Commerce Commission requests that the Commission enter an Order approving and adopting the Large Utility Stipulation.

Respectfully Submitted,

/s/ \_\_\_\_\_

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