STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

Illinois Commerce Commission
On Its Own Motion
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.

Docket No. 20-0309

Stipulation

Aqua Illinois, Inc. (Aqua), Illinois-American Water Company (Illinois-American), and Utility Services of Illinois, Inc. (Utility Services) (collectively, the Utilities, and each individually, Utility); the Office of the Illinois Attorney General on behalf of the People of the State of Illinois, the Community Organizing and Family Issues, the Citizens Utility Board, and the Legal Aid Society of Metropolitan Family Services (collectively, the Joint Consumer Parties); and the Staff of the Illinois Commerce Commission (Staff) (collectively, the Stipulation Parties) enter into this Stipulation to comprehensively resolve issues as among the Stipulation Parties related to the continuing COVID-19 pandemic and the imminent March 31, 2021 expiration of the Utilities’ voluntary disconnections moratorium commitment. Specifically, and without waiving any rights except as indicated in this Stipulation, the Stipulation Parties agree to the following terms.

General Terms

1. The Stipulation Parties enter into this Stipulation in recognition of the continuing COVID-19 pandemic and the imminent March 31, 2021 expiration of the Utilities’ voluntary disconnections moratorium commitment. That is, the Stipulation Parties voluntarily enter into this Stipulation and will implement all provisions of this Stipulation, as specified, as a means to provide specific customer protections and to help residential customers mitigate and reduce outstanding water and sewer arrearages when the Utilities’ voluntary disconnections moratorium commitment expires on March 31, 2021 and during the three-month period immediately following said expiration.

2. This Stipulation, when fully executed and accepted, will constitute a valid settlement agreement enforceable among the Stipulation Parties.

3. This Stipulation is the result of negotiation at arms’ length between and among the Stipulation Parties, all of whom have been represented by counsel or had the opportunity to consult with counsel, and memorializes the Stipulation Parties’ agreements. Thus, the Stipulation Parties, intending to be legally bound and acknowledging the benefit to be derived from the mutual promises and commitments contained herein, agree to the provisions of this Stipulation.
4. This Stipulation is not, and should not be construed, in whole or in part, as a modification, extension, or nullification of the Stipulation appended as Appendix A to, and approved by, the Commission’s June 18, 2020 Order in this Proceeding.

5. Each Utility may file tariffs and/or tariff modifications pursuant to the special permission provision of Section 9-201(a) of the Public Utilities Act, 220 ILCS 5/9-201(a), to implement, on less than forty-five (45) days’ notice, changes necessary to implement this Stipulation.

Definitions

6. For purposes of this Stipulation:
   a. “BPAP” means Bill Payment Assistance Program.
   c. “DPA” means a deferred payment arrangement.
   e. “June 2020 Stipulation” means the Stipulation appended as Appendix A to, and approved by, the Commission’s June 18, 2020 Order in this Proceeding.
   f. “Order” means the Commission’s Order in this Proceeding adopting this Stipulation.

Commitments Terms

7. Suspension of Residential Disconnections for Nonpayment; Disconnection Notices
   a. Residential Disconnection Notices
      i. Notices will be linked to the disconnection schedule provided in Paragraph 7.c. In other words, only those residential customers eligible
for disconnection pursuant to the Disconnection Schedule provided in Paragraph 7.c may receive a disconnection notice.

ii. Notices will conform to relevant Part 280 requirements concerning notice content. Pursuant to Part 280 Appendices A and B, the notices will inform customers that they may be eligible for a DPA in order to prevent disconnection.

iii. Following the Commission’s Order, the Utilities may start issuing disconnection notices for those customers eligible for disconnection in the April 1 through April 30, 2021 tier (provided in Paragraph 7.c) starting April 1, 2021. The Utilities may start issuing disconnection notices for those customers eligible for disconnection in the May 1 through May 31, 2021 tier (provided in Paragraph 7.c) starting April 20, 2021. The Utilities may start issuing disconnection notices for those customers eligible for disconnection in the June 2021 tier (provided in Paragraph 7.c) starting on May 20, 2021.

iv. The Utilities will spread out disconnection notices over the calendar month; a Utility’s particular spacing of notices may depend on factors, such as customer bill cycles and available call center resources.

b. Residential Disconnections for nonpayment will be phased as provided in Paragraph 7.c, based on customer arrearage levels, with those at the highest tiers eligible for disconnection first. Customers who do not make a payment or contact the Utility to enter into a DPA after receiving a disconnection notice will be eligible for disconnection in accordance with the disconnection procedures in Part 280.

c. **Disconnection Schedule.** Each Utility will follow the following disconnection threshold schedule for those customers subject to the Utilities’ September 2020 through March 2021 voluntary disconnections moratorium commitment, which schedule will be based on, at a minimum, the average residential customer arrearage for the Utility as of January 31, 2021 (“January Arrearage”).

i. **April 1 through April 30, 2021** – only residential customers at 150% or more of January Arrearage during the applicable billing period will be eligible for disconnection.

ii. **May 1 through May 31, 2021** – only residential customers at 100% or more of January Arrearage during the applicable billing period will be eligible for disconnection.

iii. **Starting June 1, 2021** – any residential customer who is eligible for disconnection notices under Part 280.130.
8. Reconnection Assistance

a. Reconnection Fees. The Utilities will waive reconnection fees for low income customers through June 30, 2021.

b. Reconnection Assistance.

i. On or before July 10, 2021, low income customers and those customers identified as having household incomes up to and including 300% of the FPL who were disconnected and seeking to reconnect, will be able to reconnect by providing 25% of the outstanding balance.

ii. The 25% payment may be paid with customer funds or customer assistance funds including, but not limited to, federal, state, and/or local assistance funds and/or BPAP funds (if available and in accordance with the Utility’s applicable BPAP terms).

iii. Any outstanding balance will be rolled into the reconnected accounts and a DPA will be established, as provided in Paragraph 9.b.

iv. Starting July 11, 2021, these terms expire and Part 280 rules concerning reconnections will apply.

c. Nothing in this Stipulation prevents a Utility from offering more generous reconnection terms.

d. The Utilities will not be required to complete reconnections when reconnection could compromise safe operations; the Utility has proof that the customer benefitted from theft or tampering; or the premises are vacant or unoccupied.

9. DPAs

a. Pre-Screen. When customers contact the Utility regarding a financial hardship, the CSR will inform the customer of the income level for the customer’s household size up to and including 300% FPL and that the customer might be eligible for Utility assistance (such as DPAs, as provided in Paragraph 9.b, and the BPAP, as provided in Paragraph 11).

b. DPA Terms. Starting as soon as practicable following the Commission’s Order in this Proceeding, but no later than April 1, through June 30, 2021:

i. Utilities will offer low income customers and those residential customers meeting the criteria for up to and including 300% FPL provided in Paragraph 9.a an 18-month / 0% down payment DPA. Enrollment in said DPA following the Commission’s Order through June 30, 2021 will exempt
the customer from disconnection through and including June 30, 2021, even if the customer defaults on or before June 30, 2021.

   ii. All other residential customers will be offered an 18-month / 10% down payment DPA.

   iii. In addition, pursuant to Part 280, any customer current on a DPA or who reinstates the DPA after default by making a catch-up payment prior to disconnection, will be removed from collections (and thus, from the disconnection queue).

c. DPA Recalculation.

   i. Financial assistance received will automatically offset existing customer arrears without requiring customer request or action.

   ii. Additionally, the CSR will inform customers entering into DPAs that the customer will be eligible to renegotiate the DPA upon receipt of any financial assistance funds (e.g., BPAP funds). Any such DPA changes made at the customer’s request for this DPA recalculation will not be considered to be a DPA renegotiation.

d. Discretion to offer more generous DPAs. Utilities can offer more generous DPA terms (e.g., no or lower down-payments, longer terms, credit) as practicable and as provided in Parts 280.120 and 280.125.

10. Other Credit and Collections Terms

   a. Late Payment Fees. Pursuant to Part 280, the Utilities will continue to exempt eligible low income customers from late payment fees.

   b. Deposits. The Utilities will continue their practices of not assessing deposits.

11. Bill Payment Assistance Programs

   a. 2021 Programs. To ensure that the Utilities’ stipulated 2020 and 2021 COVID-19 BPAPs fulfill the programs’ express purpose “to provide eligible residential customers with relief from high arrearages incurred as a result of financial hardship caused by the COVID-19 pandemic” and “a safety net” during this unprecedented time, each Utility will take affirmative measures to exhaust, re-fund, and temporarily extend its BPAP in 2021. All 2021 BPAPs will allocate a portion of funding for reconnection assistance. Each Utility’s 2021 Bill Payment Assistance Program costs will be recovered from residential customers only. Each Utility may file tariffs and/or tariff modifications pursuant to the special permission provision of Section 9-201(a) of the Public Utilities Act, 220 ILCS 5/9-201(a), on less than forty-five (45) days’ notice, to effectuate the 2021 BPAP.
b. Specifically, each Utility will:

   i. in April 2021, unless the stipulated funds in the Utility’s 2020 BPAP have already been fully exhausted, uniformly apply an automatic, one-time application of BPAP funds to all residential accounts meeting defined eligibility criteria developed in consultation with Staff (e.g., all accounts > 90 days past due and over a specific dollar threshold) in order to exhaust the Utility’s previously stipulated BPAP funding level (which was up to 100% of each Utility’s last-authorized residential uncollectibles expense level);

   ii. beginning April 1, 2021, re-fund the BPAP up to an additional 50% of the Utility’s last-authorized residential uncollectibles expense level (to be funded in two equal increments), such funds to be available for 90 days, through June 30, 2021, or until exhausted, in order to provide additional assistance to eligible residential customers;

   iii. request customers receiving a BPAP grant to either (a) entirely satisfy the balance of their overdue account with the grant, if possible; or (b) enter into a DPA consistent with the DPA terms outlined in Paragraph 9.b; and

   iv. in July 2021, uniformly apply an automatic, one-time application of BPAP funds to all residential accounts meeting defined eligibility criteria developed in consultation with Staff (e.g., all accounts > 90 days past due and over a specific dollar threshold) in order to exhaust the additional 50% of the Utility’s last-authorized residential uncollectibles expense level, as identified in Paragraph 11.b.i, if any such funds remain as of that time, thus ending the BPAP.

   v. AquaAid and Help to Others (H20), Aqua Illinois, Inc.’s and Illinois-American Water Company’s, respectively, existing Salvation Army-administered financial assistance programs will remain in place.

12. Communications

   a. Phased Targeted Communications. Residential customers with arrearages greater than 30 days will be sent a communication in English and Spanish with information about available financial assistance, including BPAP funds, and available payment arrangements, including federally-funded utility assistance programs, as applicable, and the need to call the Utility to establish a DPA. Utilities will send these communications to JCP and Staff for comment. JCP and Staff shall submit comments no later than 2 business days after receipt for review and comment. Each Utility will use best efforts to send this customer communication as soon as possible in coordination with the Disconnection Schedule referenced in Paragraph 7.c, by U.S. Mail and/or electronic mail.
13. **Stipulation and COVID-19 Related Costs**

   a. The costs incurred by the Utility to implement this Stipulation shall use the same definitions and receive the same treatment provided in the June 2020 Stipulation. Notwithstanding, costs related to the provisions of this Stipulation shall be recoverable by each utility.

   b. Each Utility may file tariffs and/or tariff modifications pursuant to the special permission provision of Section 9-201(a) of the Public Utilities Act, 220 ILCS 5/9-201(a), to implement, on less than forty-five (45) days’ notice, changes necessary to effectuate this Stipulation, including, but not limited to, modifications to extend the operation of its temporal Bad Debt Expense Rider through calendar year 2023 and modifications to its Special Purpose Rider – COVID-19 consistent with Paragraphs 11 and 13.a.

14. **Federal Assistance**

   a. The Stipulation Parties commit to help the Utilities gain access for their customers to federally-funded COVID-related assistance programs, such as the Low Income Household Drinking Water and Wastewater Emergency Assistance Program, that may be used to provide customers with utility assistance and utility arrearage relief, irrespective of whether the programs are administered by federal, state, county, municipal or private entities. The Parties will discuss the status of utility participation in and customer access to these programs, and the application of these funds on customer utility accounts, at the regular monthly meetings provided below in Paragraph 16.

15. **Customer Status**

   a. Subject to applicable laws, each Utility will continue its practice of not requiring customers seeking to participate, or continuing to participate, in an Utility-offered financial assistance program to demonstrate, or otherwise provide evidence or documentation of, United States citizenship or legal residency status.

16. **Regular Meetings between the Utilities, Staff and JCP**

   a. Starting with the first month following the Commission’s Order, upon request, the Utilities, Staff, and the Joint Consumer Parties may meet monthly, no later than the 20th of each month, through July 20, 2021, to discuss the Stipulation implementation efforts and results, as well as the Utilities’ BPAPs.

17. The Stipulation Parties agree that the Utilities’ efforts outlined in this Stipulation are consistent with the requirements provided in Part 280.

**Enforceability Terms**

18. Stipulation Parties will support this Stipulation and urge its acceptance by the Commission, including, but not limited to, in their testimony, pleadings, and other legal
briefs filed in this Proceeding, and on any rehearing or appeal of the Commission’s Order in this Proceeding.

19. Stipulation Parties will not oppose, via rehearing, appeal, or otherwise, the Commission’s Order adopting this Stipulation.

20. The commitments reflected in the terms, including all paragraphs and subparagraphs, of this Stipulation are interdependent and therefore not severable. Thus, if any terms are not adopted by the Commission in whole, are adopted by the Commission on an otherwise modified basis, are subsequently vacated by the Commission or a court, or are modified pursuant to or in response to a Commission order, directive, or request, the entire Stipulation is null and void.

21. Stipulation Parties agree that this Stipulation and all of its terms accord with public policy and Section 1-102 of the Public Utilities Act, 220 ILCS 5/1-102.

22. No provision or provisions of this Stipulation are in derogation of the Commission’s authority as conferred by the Public Utilities Act, 220 ILCS 5/1-101, et seq., or any other statute of this State, nor shall any provision of this Stipulation be construed or interpreted as limiting the Commission’s ability or authority to take such action or enter such order in this Proceeding as it is authorized by law to take or enter, or that the public safety, health or welfare may in the Commission’s view require.

23. Stipulation Parties agree that an electronic signature shall be regarded as an original signature and that this Stipulation may be executed in counterparts.

[INTENTIONALLY BLANK]
Aqua Illinois, Inc.

By: 
Name: Craig L. Blanchette
Title: President, Aqua Illinois, Inc.
Date: March 12, 2021

Illinois-American Water Company

By: 
Name: 
Title: 
Date: 

Utility Services of Illinois, Inc.

By: 
Name: 
Title: 
Date: 

Office of the Illinois Attorney General on behalf of the People of the State of Illinois

By: 
Name: 
Title: 
Date: 
Aqua Illinois, Inc.
By: 
Name: 
Title: 
Date: 

Illinois-American Water Company
By: Justin L. Ladner
Name: Justin L. Ladner
Title: President, Illinois American Water Co.
Date: March 14, 2021

Utility Services of Illinois, Inc.
By: 
Name: 
Title: 
Date: 

Office of the Illinois Attorney General on behalf of the People of the State of Illinois
By: 
Name: 
Title: 
Date: 
Aqua Illinois, Inc.
By:  
Name:  
Title:  
Date:  

Illinois-American Water Company
By:  
Name:  
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Date:  

Utility Services of Illinois, Inc.
By:  
Name:  Steve Lubertozzi  
Title:  Presidnet  
Date:  March 15, 2021  

Office of the Illinois Attorney General on behalf of the People of the State of Illinois
By:  
Name:  
Title:  
Date:  
Aqua Illinois, Inc.

By: ______________________________
Name: ______________________________
Title: ______________________________
Date: ______________________________

Illinois-American Water Company

By: ______________________________
Name: ______________________________
Title: ______________________________
Date: ______________________________

Utility Services of Illinois, Inc.

By: ______________________________
Name: ______________________________
Title: ______________________________
Date: ______________________________

Office of the Illinois Attorney General on behalf of the People of the State of Illinois

By: ______________________________
Name: Susan L. Satter
Title: Chief, Public Utilities Bureau
Date: March 15, 2021
Community Organizing and Family Issues

By: [Signature]
Name: Karen L. Lusson
Title: Staff Attorney, National Consumer Law Center
Date: 3/12/21

Citizens Utility Board

By: [Signature]
Name: [Signature]
Title: [Title]
Date: [Date]

Legal Aid Society of Metropolitan Family Services

By: [Signature]
Name: [Signature]
Title: [Title]
Date: [Date]

Staff of the Illinois Commerce Commission

By: [Signature]
Name: [Signature]
Title: [Title]
Date: [Date]
Community Organizing and Family Issues

By: 
Name: 
Title: 
Date: 

Citizens Utility Board

By: Julie Soderna
Name: Julie Soderna
Title: General Counsel
Date: 3/12/21

Legal Aid Society of Metropolitan Family Services

By: 
Name: 
Title: 
Date: 

Staff of the Illinois Commerce Commission

By: 
Name: 
Title: 
Date: 
Community Organizing and Family Issues
By: ________________________________
Name: ______________________________
Title: ______________________________
Date: ______________________________

Citizens Utility Board
By: ________________________________
Name: ______________________________
Title: ______________________________
Date: ______________________________

Legal Aid Society of Metropolitan Family Services
By: ________________________________
Name: Miguel Keberlein
Title: Executive Director
Date: 3/14/2021

Staff of the Illinois Commerce Commission
By: ________________________________
Name: ______________________________
Title: ______________________________
Date: ______________________________
Community Organizing and Family Issues

By: ____________________________
Name: __________________________
Title: __________________________
Date: __________________________

Citizens Utility Board

By: ____________________________
Name: __________________________
Title: __________________________
Date: __________________________

Legal Aid Society of Metropolitan Family Services

By: ____________________________
Name: __________________________
Title: __________________________
Date: __________________________

Staff of the Illinois Commerce Commission

By:  
Name: James Zolnierek
Title: Interim Executive Director
Date: March 12, 2021