

## Part 280. Procedures for Gas, Electric, Water and Sanitary Sewer Utilities Governing Eligibility for Service, Deposits, Payment Practices and Discontinuance of Service

**AUTHORITY:** Implementing the Small Business Utility Deposit Relief Act (Ill. Rev. Stat. 1991, ch. 111 2/3, par. 1001 et seq.) [220 ILCS 35] and Sections 8-101 and 8-207 of the Public Utilities Act (Ill. Rev. Stat. 1991, ch. 111 2/3, pars. 8-101 and 8-207) [220 ILCS 5/8-101 and 8-207], and authorized by Section 8 of the Small Business Utility Deposit Relief Act (Ill. Rev. Stat. 1991, ch. 111 2/3, par. 1008) [220 ILCS 35/8] and Sections 8-101, 8-207, and 10-101 of the Public Utilities Act (Ill. Rev. Stat. 1991, ch. 111 2/3, pars. 8-101, 8-207, and 10-101) [220 ILCS 5/8-101, 8-207, and 10-101].

**SOURCE:** Rule repealed, new rule adopted at 3 Ill. Reg. 1, p. 102, effective January 6, 1979; emergency amendment at 3 Ill. Reg. 46, p. 65, effective November 16, 1979, for a maximum of 150 days; amended at 4 Ill. Reg. 46, p. 1274, effective November 10, 1980; amended at 6 Ill. Reg. 10917, effective September 7, 1982; amended at 6 Ill. Reg. 13723, effective November 8, 1982; amended at 7 Ill. Reg. 9285, effective July 22, 1983; codified at 7 Ill. Reg. 13218; emergency amendment at 7 Ill. Reg. 14543, effective October 18, 1983, for a maximum of 150 days; amended at 7 Ill. Reg. 13221, effective November 1, 1983; emergency amendment at 7 Ill. Reg. 16667, effective December 1, 1983, for a maximum of 150 days; amended at 8 Ill. Reg. 3664, effective March 15, 1984; emergency amendment at 8 Ill. Reg. 17924, effective September 13, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 21222, effective October 15, 1984; amended at 9 Ill. Reg. 2268, effective February 8, 1985; amended at 16 Ill. Reg. 11023, effective July 1, 1992; amended at 17 Ill. Reg. 805, effective January 15, 1993; amended at 18 Ill. Reg. 6160, effective May 1, 1994.

### § 280.10 Policy.

The purpose of this Part is to establish fair and equitable procedures within the scope of this Part, taking into account the duty of the utility, customer, applicant and user to demonstrate good faith and fair dealing.

### § 280.20 Scope and Application.

This Part shall apply to electric, gas, sanitary sewer and water utilities for the purposes of:

- establishing procedures governing eligibility for service, deposits, and payment practices; and
- establishing conditions under which service may be discontinued by utilities.

### § 280.30 Saving Clause.

The adoption of this Part shall in no way preclude the Commission from altering or amending it, in whole or in part, or from requiring or authorizing rules containing other provisions whenever it shall be deemed in the public interest to do so. The rules specified herein shall not preclude the filing of an application by a utility for good cause shown seeking approval of rules which may be in contradiction of this Part. Furthermore, the rules specified herein shall not supersede nor void any rules heretofore filed by any utility until the Commission determines that the utility's present rule is in contradiction of this Part and that allowing the contradictory rule to remain in effect is not in the public interest.

### § 280.40 Definitions.

"Applicant"—a person who applies for residential or non-residential utility service.

"Customer"—a person who has agreed with a utility to pay for gas, electric, water or sanitary sewer utility service.

"Master-metered apartment building"—a building of three or more rental dwelling units where any utility service is registered by a single meter for all the units.

"Nonresidential Service"—gas, electric, water or sanitary sewer utility service rendered which is not residential service.

"Person"—a natural person, corporation, real estate trust, partnership, association or other legal entity.

"Residential Service"—gas, electric, water or sanitary sewer utility service for household purposes furnished to a dwelling of two units or less which is billed under a residential rate; or gas, electric, water or sanitary sewer utility service for household purposes furnished to a dwelling unit or units which is billed under a residential rate and which is registered by a separate meter for each dwelling unit.

"Small Business"—any Illinois based business which has 50 or less full-time employees in the State. (Section 2 of P.A. 83-1343)

"User"—a person who receives gas, electric, water or sanitary sewer utility service.

"Utility Service"—gas, electric, water or sanitary sewer utility service provided to a customer at a specific location.

#### SOURCE

Amended at 9 Ill. Reg. 2268, effective February 8, 1985.

### § 280.50 Applicants for Service.

a) If, after a review of its own past service records, a utility finds that an applicant for residential service has failed to pay for past due utility service for the same class of service furnished to him/her at the same or at another address, a utility may refuse to provide service, unless the applicant, at the option of the utility, pays any past due bill and/or provides a deposit pursuant to Section 280.70 and/or enters into a deferred payment agreement pursuant to Section 280.110. For purposes of this subsection, a utility may refuse to provide service if the applicant is liable for a past due bill for utility service pursuant to Section 15 of the Rights of Married Persons Act [750 ILCS 65/15], unless the applicant, at the option of the utility, pays any past due bill and/or provides a deposit pursuant to Section 280.70 and/or enters into a deferred payment agreement pursuant to Section 280.110.

b) If, after a review of its own past service records, a utility finds that an applicant for non-residential service has failed to pay for past due utility service for the same class of service furnished to him/her at the same or at another address, or if the applicant for non-residential service is unable to establish satisfactory credit references, a utility may refuse to provide service unless the applicant, at the option of the utility, pays any past due bill and/or provides a deposit pursuant to Section 280.70 and/or enters into a deferred payment agreement pursuant to Section 280.110.

c) A bill for one class of service (residential or non-residential) shall not be transferred to a bill for the other class of service, nor shall the bill for one form of utility service (such as gas) be transferred to a bill for another form of utility service (such as electric). Service shall not be denied for nonpayment of bills for merchandise or nonutility services.

d) If a utility takes applications for service by telephone from third parties or users who will not be the customers of the service, and if the utility does not verify the third party or user application with the customer, the utility shall not be entitled to collect from the customer of the service if the customer disclaims any responsibility for requesting the service; provided, however, that users will be responsible for paying for their use.

#### SOURCE

Amended at 18 Ill. Reg. 17974, effective December 15, 1994.

### § 280.60 Present Customers.

a) A utility may request a deposit pursuant to Section 280.70 herein from a present residential or present non-residential customer during the first twenty-four months that the customer receives utility service from the utility if the customer, during any twelve month period, pays late four times if billed monthly, two consecutive times or three times

3) All deposit refunds shall be by separate check and not by credit to the customer's account except where discontinuance of service is affected.

4) At the option of the utility, a deposit plus interest may be refunded, in whole or in part, at any time earlier than the times hereinbefore prescribed.

e) Interest on Deposits

1) Interest shall be paid on all deposits held by the utility. The rate of interest to be paid on such deposits will be calculated following completion of the instant rulemaking procedures and every December thereafter. The rate of interest will be the same as the rate existing for one year United States treasury bills at that point in time when the determination of the interest rate is made by the Commission. The interest rate will be rounded to the nearest one-half (1/2) of one percent (1%). In December of each year the Commission shall announce the rate of interest which shall be paid on all deposits held during all or part of the subsequent year.

2) At the end of every year of service, if the deposit plus interest is not refunded to the customer, the utility shall automatically refund the accrued interest on the deposit to the customer by crediting the customer's account and so stating this credit clearly on the customer's next regular bill.

f) Records of Deposits

1) A utility shall maintain records of deposits together with interest, which collectively will show all transactions pertaining to each deposit. A Utility shall provide the applicant or customer with a Certificate of Deposit for any deposit received. The Certificate shall show the customer's name, service address, serial number, type of service, amount of deposit, rate of interest on deposit, date received, utility's name and a statement of the conditions under which the deposit will be refunded to the applicant or customer. Nothing is implied herein to require a utility to accept deposits from third parties on behalf of an applicant or customer.

2) When a deposit is refunded, the utility shall issue a Cancellation Notice carrying the same serial number as the Certificate of Deposit. When refunds are not deliverable, records shall be maintained to show a utility's efforts toward locating the applicant or customer and delivering such deposit.

AGENCY NOTE: As required by 1 Ill. Adm. Code 100.380, statutory language in this Section appears in distinguishing type. However, the Small Business Utility Deposit Relief Act, which is the statute quoted, applies only to deposits requested from "small businesses" as defined in Section 280.40. Therefore, the statutory language in this Section is statutorily mandated as to small businesses only, and not as to other customers or applicants.

SOURCE

Amended at 9 Ill. Reg. 2268, effective February 8, 1985.

§ 280.75 Refunds.

a) In the event that a customer pays a bill as submitted by a public utility and the billing is later found to be incorrect due to an error either in charging more than the published rate, in measuring the quantity or volume of service provided, or in charging for the incorrect class of service, the utility shall refund the overcharge with interest from the date of overpayment by the customer.

b) The rate of interest shall be the rate as established by the Commission to be paid on deposits in Section 280.70(e)(1) of this Part.

c) The refund shall be accomplished either by a credit on a subsequent bill for service or by check if the account is final or if so requested by the customer.

SOURCE

Amended at 8 Ill. Reg. 3664, effective March 15, 1984.

§ 280.76 Refunds of Additional Charges.

In the event that the Commission orders a public utility to refund incorrectly calculated additional charges made pursuant to Section 9-221 or Section 9-222 of the Public Utilities Act, the public utility shall pay interest on such refund at the rate established by the Commission to be paid on deposits in 83 Ill. Adm. Code 280.70(e)(1).

SOURCE

Added at 18 Ill. Reg. 6160, effective May 1, 1994.

§ 280.80 Estimated Bills.

a) All utilities shall make an actual meter reading at least every second billing period, and no utility may consecutively estimate a customer's service usage unless:

1) the procedure used by the utility to calculate estimated bills has been approved by the Commission; and

2) the word "estimate" appears prominently on the face of the bill, in a manner previously approved by the Commission.

b) Notwithstanding the provisions of subsection (a) of this Section, the utility may render an estimated bill for any billing period in which:

1) the utility has taken appropriate and reasonable measures to read the meter, including but not limited to, making an appointment with the customer, scheduling readings for times other than normal business hours, and/or providing postal cards on which the customer may record the reading and mail it to the utility; or

2) the customer has knowingly and willfully denied reasonable access to the utility's representative for the purpose of taking an actual reading of the meter; or

3) the customer has otherwise made an actual reading of the meter unnecessarily difficult; or

4) circumstances beyond the control of the utility make an actual reading of the meter extremely difficult.

§ 280.90 Past Due Bills and Late Payment Charges.

a) A utility shall not consider a customer's bill, when paid in person, past due unless the payment is made after the due date printed on the bill. When a customer mails any payment in the net amount of a bill for service, and such payment is received at the utility's office not more than two full business days after the due date printed on the bill, the customer shall be deemed to have made timely payment. In determining whether a bill is past due, a utility may rely on the postmark of the payment, in which case, the payment shall be considered past due if the payment is postmarked after the due date printed on the bill.

b) Each utility shall choose one of the above methods for determining when a bill is past due and shall apply this method to all customers. For utilities which choose the postmark method, in instances where the postmark is illegible or absent, the customer's payment shall be deemed timely made if the payment is received at the utility's office not more than two full business days after the due date printed on the bill.

c) For residential service, the due date printed on the bill may not be less than twenty-one days after the date of the postmark on the bill, if mailed, or the date of delivery as shown on the bill if delivered by other means. For non-residential service, the due date printed on the bill may not be less than fourteen days after the date of the postmark on the bill, if mailed, or the date of delivery as shown on the bill if delivered by other means.

d) If a utility elects to assess a late payment charge and files a tariff in accordance with the rules set forth herein, such charge shall be set at an amount equal to 1 1/2% per month on any amount, including amounts previously past due, for utility service which is considered past due under this Section.

e) A utility shall waive the assessment of a late payment charge for residential customers one time per twelve month period if it bills on