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ILLINOIS COMMERCE COMMISSION

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

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CENTRAL ILLINOIS LIGHT COMPANY )

Petition pursuant to Section 9-201 of the )  
Public Utilities Act for authorization to file )  
and put into effect upon less than 45 days' notice )  
revised tariffs to increase from \$1.00 per therm to )  
\$6.00 per therm the charge for unauthorized use )  
of gas by customers receiving gas transportation )  
service under Rider T1, Rider T3, Rider T5 and )  
Rider T7. )

Docket No. 00-0813

PETITION

To: THE ILLINOIS COMMERCE COMMISSION

Now comes the Petitioner, CENTRAL ILLINOIS LIGHT COMPANY, pursuant to the provisions of Section 9-201 of the Public Utilities Act, and respectfully petitions the Illinois Commerce Commission to enter an order granting Petitioner special permission to file and put into effect as of January 1, 2001, or the earliest date thereafter the Commissions deems appropriate, upon less than 45 days' notice, the attached revised gas delivery service tariff sheets to increase from \$1.00 per therm to \$6.00 per therm the charge for unauthorized use of gas by gas transportation customers.

The revised tariffs for which Petitioner seeks special permission are the following:

III. C.C. No. 14 - Gas

Fifth Revised Sheet No. 71, Fifth Revised Sheet No. 78,  
Fourth Revised Sheet No. 86, and Fourth Revised Sheet No. 94

## Cancelling

Fourth Revised Sheet No. 71, Fourth Revised Sheet No. 78,  
Third Revised Sheet No. 86 and Third Revised Sheet No. 94

In support of this Petition, Petitioner shows to the Commission as follows:

1. Petitioner currently has four gas transportation rates in effect, that permit non-residential customers to purchase gas from third parties and have Petitioner deliver the gas to the customers from the point where the gas is delivered into Petitioner's gas distribution system. Those tariffs are:

Rider T1. Small General Gas Transportation Service

Rider T3. General Gas Transportation Service

Rider T5. Intermediate General Gas Transportation Service

Rider T7. Large General Gas Transportation Service

2. Each tariff described above contains a provision specifying that if the unauthorized use of gas occurs, the Company shall charge the customer the greater of \$1.00 per therm or the pro rata portion of any pipeline penalty, plus the regular charges of the rate for all unauthorized use. Riders T5 and T7 also require a payment of an additional \$0.062 per therm for unauthorized use. Under CILCO's delivery service tariffs, charges for unauthorized use are credited to customers through the PGA.

3. The charges for unauthorized use were approved at a time when the maximum price of gas during the winter months was in the area of \$0.35 per therm, so that a charge of \$1.00 per therm for unauthorized use provided some incentive for customers to avoid such use. However, the NYMEX price of gas for January of 2001 is currently in excess of \$0.90

per therm. The spot market price for gas delivered at CILCO's city gate during the latter part of December of 2000 has been as high as \$1.95 per therm. Under these circumstances, a charge of \$1.00 per therm for unauthorized use by CILCO's customers is little or no disincentive to avoid such use. Moreover, the market price of gas could rise during any given month to an amount in excess of CILCO's monthly PGA charge plus the \$1.00 per therm charge for unauthorized use, so that delivery service customers could actually have an economic incentive to use unauthorized gas. The unrecovered cost of the gas that is used without authorization would be shifted to bundled gas customers through the PGA.

4. Petitioner's Rate 500 - Pilot Residential Gas Transportation Service, contains a charge of \$6.00 per therm to aggregators who under-deliver gas during critical periods, and the tariffs of Peoples Gas Light & Coke Company and Northern Illinois Gas Company contain charges of \$6.00 per therm for unauthorized use of gas by delivery service customers. The same charge for unauthorized use by Petitioner's customers is necessary and appropriate to provide adequate incentive to avoid the unauthorized use of gas by CILCO's customers and to give proper price signals to those customers. Because CILCO's charge for unauthorized use is so far below that of other gas utilities, it would be economically attractive for customers served by those other utilities to shift gas from CILCO's service area for delivery into the service areas where the charges for unauthorized use are higher. Thus, CILCO's current charges provide an unreasonable incentive to shift gas from CILCO's service area to other service areas.

5. The filing of the attached revised tariff sheets upon less than 45 days' notice is necessitated by the recent quick run-up in the price of gas, and is required by the public interest to provide adequate incentive for customers to avoid unauthorized use, to eliminate the

potential shifting of gas costs to bundled gas customers, and to eliminate an incentive to shift gas from CILCO's service area to other service areas.

6. Petitioner seeks authorization from the Commission to file and implement the attached revised tariff sheets effective as of January 1, 2001, or at the earliest date thereafter that the Commission deems appropriate.

WHEREFORE, CENTRAL ILLINOIS LIGHT COMPANY requests special permission to file the attached revised gas tariffs to be effective as of January 1, 2001, or the earliest date thereafter that the Commission deems appropriate, upon less than 45 days' notice, such revised tariffs to increase from \$1.00 per therm to \$6.00 per therm the charge for unauthorized use of gas by delivery service customers under Rider T1, Rider T3, Rider T5, and Rider T7.

Respectfully submitted,

CENTRAL ILLINOIS LIGHT COMPANY

By:



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State of Illinois     )  
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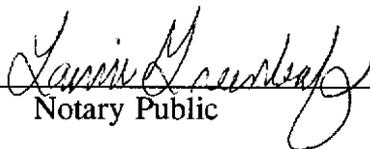
VERIFICATION

Nicholas T. Shea, being first duly sworn, upon oath deposes and states that he is the Director-Rates & Reg Affairs of Central Illinois Light Company, that he has read the above and foregoing Petition by him subscribed and is familiar with the facts stated therein, and the same are true to the best of his knowledge and belief.



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Subscribed and sworn to  
before me this 21st day of  
December, 2000.



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Notary Public

