

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION**

**Illinois Commerce Commission
On Its Own Motion**

Revision of 83 Ill. Adm. Code 280

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Docket No. 06-0703

AMEREN ILLINOIS' POSITION STATEMENT

October 14, 2011

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I. INTRODUCTION/SUMMARY

In 2006, the Staff of the Consumer Services Division of the Illinois Commerce Commission (“Commission”) advocated in a report for the opening of a docket to revise Part 280 of the Illinois Administrative Code governing “Procedures for Gas, Electric, Water and Sanitary Sewer Utilities Governing Eligibility for Service Deposits, Payment Practices, and Discontinuance of Service” (“Staff Report”). As the Staff Report exhibited a need to revise Part 280, this docket was ultimately opened to produce an internally consistent set of rules that should balance interests of public utilities regulated by the rules and the rights of the utilities’ ratepayers.

The Commission Staff (“Staff”) and various intervening parties have worked together through workshops to exchange ideas and information concerning the appropriate language for the revised Part 280. For issues still in contention after the workshops, Staff and those parties have filed testimony and briefs in support of their various positions. For convenience of the Commission, and consistent with the Administrative Law Judge’s rulings in this docket, Ameren Illinois submits the following Position Statement, which maintains the agreed upon structure in the briefs and addresses only those issues that Ameren Illinois has briefed.¹ As follows, for the reasons set forth in its briefing, Ameren Illinois respectfully requests that the Commission approve and adopt Ameren Illinois’ proposed changes to Part 280.

II. PROCEDURAL HISTORY

For the convenience of the Commission, Ameren Illinois sets forth the following procedural history of this docket. On October 31, 2006, the Staff of the Consumer Services Division of the Commission filed a Staff Report, dated October 25, 2006, advocating the

¹ For sake of clarity in the record, Ameren Illinois stands by its legal and factual arguments as set forth in its briefs such that this Position Statement should not be construed as limiting Ameren Illinois’ arguments in favor or against any position in this docket. Further, as noted in Ameren Illinois’ testimony and briefs, silence on a particular issue should not be construed as Ameren Illinois approving any other parties’ position on that issue.

initiation of this docket to revise Part 280 of the Illinois Administrative Code. At the time, there were four open dockets containing proposals for, or in which the Commission was otherwise considering, amendments to Part 280. To reduce administrative burden, the Commission opened this docket to coordinate the revision of Part 280.

The following parties intervened in this matter: Mount Carmel Public Utility Company (“Mt. Carmel”); Dynegy Inc. (“Dynegy”); Northern Illinois Gas Company d/b/a Nicor Gas Company (“Nicor”); MidAmerican Energy Company (“MEC”); Commonwealth Edison Company (“ComEd”); Ameren Illinois Company d/b/a Ameren Illinois² (“Ameren Illinois”); the Peoples Gas Light and Coke Company and North Shore Gas Company (“Peoples/North Shore”); Utilities, Inc. (“Utilities”); Community Action for Fair Utility Practice and South Austin Coalition Community Council (“LIRC”); Government and Consumer Intervenors (“GCI”) (comprising the Citizens Utility Board (“CUB”); City of Chicago, and the Illinois Attorney General (“AG”)); Illinois Department of Healthcare and Family Services (“IDHFS”); Constellation NewEnergy, Inc. (“CONE”); AARP; Illinois-American Water Company (“IAWC”); Local Union No. 15, International Brotherhood of Electrical Workers, AFL-CIO (“IBEW”); the offices of Lt. Governor Pat Quinn; MC Squared Energy Services LLC; Retail Gas Suppliers (comprising Dominion Retail, Inc., Just Energy Illinois Corp., and Interstate Gas Supply of Illinois, Inc.); Nicor Energy Services Company d/b/a Nicor National and Prairie Pointe Energy, LLC d/b/a Nicor Advanced Energy LLC (“Nicor Energy Services”) (collectively “Intervenors”). On May 23, 2011, Dominion Retail, Inc. withdrew as a party to this proceeding.

² Effective October 1, 2010, Central Illinois Light Company d/b/a Ameren CILCO and Illinois Power Company d/b/a Ameren IP merged with and into Central Illinois Public Service Company d/b/a AmerenCIPS, leaving AmerenCIPS as the sole surviving legal entity. Simultaneously, AmerenCIPS changed its name to Ameren Illinois Company d/b/a Ameren Illinois.

Staff filed direct testimony on September 11, 2009. The following Intervenors filed direct testimony on January 15, 2010: AARP, Ameren Illinois, City of Chicago, ComEd, CONE, GCI, IAWC, IBEW, LIRC, MEC, Mt. Carmel, Peoples/North Shore, Retail Gas Suppliers, Nicor, and Nicor Energy Services. Staff filed Rebuttal Testimony on July 21, 2010 and Supplemental Rebuttal Testimony on August 25, 2010. The following Intervenors filed Rebuttal Testimony on October 12, 2010: AARP, Ameren Illinois, City of Chicago, ComEd, GCI, IAWC, IBEW, MEC, Nicor, Nicor Energy Services, Peoples/North Shore, and Retail Gas Suppliers. On December 10, 2010, AARP filed revised rebuttal testimony. The following parties filed Surrebuttal Testimony on February 25, 2011: Ameren Illinois, City of Chicago, ComEd, GCI, IAWC, MEC, Nicor, Peoples/North Shore, Retail Gas Suppliers, and Staff. Staff filed revised Surrebuttal Testimony on March 17, 2011, and GCI filed revised Surrebuttal Testimony on May 24, 2011.³ Pursuant to notice duly given in accordance with the law and the rules and regulations of the Commission, evidentiary hearings were held before a duly authorized Administrative Law Judge on May 25, 2011 and June 7, 8, 9 of 2011. On June 9, 2011, the record was marked “heard and taken.” Initial Briefs were filed on August 4, 2011, and the parties filed Reply Briefs on October 7, 2011.

III. PART 280

A. SUBPART A: GENERAL

1. Section 280.05 Policy

Ameren Illinois recommends rejecting GCI’s proposed insertion of the phrase “on an individual utility basis.” Even GCI’s own witness, Ms. Marcelin-Reme, agreed during the

³ Ameren Illinois notes that parties’ suggested language revisions to Part 280 are contained in the Joint Prehearing Outline filed on e-docket on June 8, 2011. Ameren Illinois incorporates by reference its suggested language revisions to Part 280.

evidentiary hearings in this proceeding that any party could file a petition such that “entity” encompasses more than “utilities,” so addition of the words “individual utility” as a subset of “entity” only causes confusion. Moreover, as Ms. Marcelin-Reme also admitted, the proposed insertion was not meant to limit the opportunity of a multi-party filing, so GCI’s proposal is useless. Ameren Br., p. 6; Ameren Reply Br., p. 7.

Ameren Illinois further recommends rejecting GCI’s proposal to offer language requiring Part 280 to control over utility tariffs. GCI’s proposal creates a conflict in the law as approved tariffs have the force of law, and tariffs approved post-Part 280 re-write should be controlling. GCI’s proposal is unduly burdensome as it would require all existing tariffs to receive Commission approval to remain valid after the revision of Part 280. Second, Ameren Illinois argues the GCI proposal will create unnecessary confusion and ambiguity as tariffs which address the same topic or matter as Part 280, but in a specific way, should control over any general discussion contained in Part 280. Moreover, GCI’s proposal would result in confusion as to whether a conflict exists between the regulations and a tariff, as it is unclear whether implicit inconsistencies would give rise to preemption, for example in situations where both Part 280 and a tariff address the same subject matter but do not have explicitly contradicting terms. Further, Ameren Illinois notes GCI was not able to identify a single instance where a Part 280 rule was in conflict with an Ameren Illinois tariff. Ameren Br., p. 7; Ameren Reply Br., pp. 5-6.

2. Section 280.10 Exemptions

Ameren Illinois takes issue with Staff’s proposal that entities requesting a modification of, or exemption from, any section of Part 280 that applies to the entity show the requested change would not “harm consumers” and asks the Commission to remove the requirement to show “no harm.” Instead, Ameren Illinois recommends utilities be forced to demonstrate the modification or exemption would be “otherwise just and reasonable under the circumstance.”

Ameren Illinois argues its proposal promotes fairness to all parties involved and uses a more familiar “just and reasonable” standard of measurement than Staff’s vague standard of “harm” or even Staff’s new proposal of no “net harm.” Nicor and ComEd voiced similar concerns with Staff’s proposal in their briefs, and MEC does not object to Ameren Illinois’ proposal. Ameren Br., p. 7; Ameren Reply Br., pp. 6- 7.

3. Section 280.15 Compliance

Section 280.15

Ameren Illinois requests approval of a timeline of no less than 2 years to comply with the revisions to Part 280. Ameren Illinois argues it will need ample time for implementation and notes that many utilities agree, with some suggesting a compliance period of up to 4 years. Ameren Reply Br., pp. 7-8. Ameren witness Solari testified that millions of dollars (not including training or ongoing costs) and approximately 28,698 hours would be necessary for implementation. Ameren Br., pp. 35-36. Moreover, Mr. Solari testified that multiple changes to core functionality within the company’s Energy Delivery Suite of Applications (multiple applications supporting the meter-to-cash processes relied upon by various users for many of the company’s day-to-day business processes) would be necessary and that changes in at least the following six categories would be required: (1) meter reading; (2) refunds and credits; (3) payment avoidance by location; (4) low income customers; (5) medical payment arrangements; (6) deferred payment arrangements. *See Id.*; Ameren Ex. 2.0, pp. 2-4, lines 63-79. In addition to IT costs, Ameren Illinois will incur administrative costs that could be significant but are currently unable to be estimated. Mr. Solari testified that Ameren Illinois expects it could complete implementation on a 24 month timeline. *See* Ameren Br., p. 36; Ameren Ex. 2.0, p. 2, lines 24-27. Ameren Illinois further notes that despite GCI’s assertions, it would have been imprudent to begin preparing for the revised rules and procedures prior to resolution of the

contested issues. Ameren Illinois does not object to Nicor's proposal to add an additional section in the rule regarding compliance that provides for 24 months for compliance. Ameren Reply Br., pp. 7-8. Further, Staff's proposed compliance deadline of 6 months was not offered until the filing of its Reply Brief and is not supported by the record evidence. Staff admittedly lacks IT expertise and is uncertain as to the amount of time necessary for compliance, Staff Br., p. 7, and no witness testified that compliance could be completed on such a short deadline. Staff's assertion that implementation should only involve system programming and training, and thus should take no longer than 6 months, is in fact contrary to the testimony on this issue from utility witnesses who have consistently testified that it will take *at least* 18-24 months to implement the changes to Part 280.

4. Section 280.20 Definitions

Ameren Illinois supports Staff's proposed definition of "low income customer" that is tied to the eligibility guidelines for the Low Income Home Energy Assistance Program ("LIHEAP"), arguing that because LIHEAP has a direct application to utility service, it is sensible to use the same definition. Ameren Br., p. 8; Ameren Reply Br., p. 9. Moreover, Ameren Illinois contends that a universal definition will make it easier for utilities and consumers to understand the various eligibility guidelines for federal, state, or utility sponsored programs. Ameren Br., p. 8.

Ameren Illinois also supports Staff's definition of "past due" as adequately addressing the uncollectibles concern by allowing utilities to collect all amounts owed to the utility, not just those that arose within the past 2 years. Under Staff's definition, utilities could disconnect the service of customers with amounts due that are more than 2 years old, hopefully motivating the customers to pay up. GCI's proposed definition of "past due" should be rejected, claims Ameren Illinois, because it contravenes the intent of the Illinois General Assembly and would not be fair

to ratepayers. Moreover, it is nonsensical to allow utilities to collect amounts due past 2 years but not allow potential disconnection as a motivating factor for payment. Ameren Br., p. 9, 11; Ameren Reply Br., p. 9.

Ameren Illinois opposes GCI's proposal to increase the period for "transfer of service" from 14 days to 30 days, arguing GCI's proposal is confusing as written (GCI witness Alexander admitted the wording would permit a 30-day transfer of service even when there was an actual disconnection at the prior location) and would unnecessarily increase the amount of time that a customer could avoid paying off amounts owed for service at the customer's initial location for no justifiable reason. Such a proposal would unfairly increase the costs borne by other customers. Ameren Illinois notes customers with unpaid bills who want to transfer service are adequately protected under the 14 day transfer timeframe; such customers can enter a payment agreement with the utility for the amount owing. Ameren Br., pp. 9-11; Ameren Reply Br. pp. 9-10.

In addition, Ameren Illinois proposes adding a definition for "Good Faith effort payment" to clarify how the term is used in its proposed addition to Section 280.160-Medical Certifications, as well as deleting the term and definition for "Not sufficient funds," consistent with Staff's proposal. Ameren Br., p. 9; Ameren Reply Br., p. 8.

B. SUBPART B: APPLICATIONS FOR UTILITY SERVICE

1. Section 280.30 Application

Section 280.30(d)

With respect to proof of identification, Ameren Illinois does not object to the 14 proposed acceptable forms of identification but only to the proposed requirement of customer service representatives to list those 14 forms to applicants. Ameren Illinois proposes that customer service representatives be allowed instead to ask for the most common forms of identification,

while accepting any of the 14 forms enumerated in the rule. Ameren Illinois argues that most customers calling a utility will not have certain forms (such as articles of incorporation) handy, and repeating the list of all 14 acceptable forms is a waste of time. Ameren Br., p. 12; Ameren Reply Br., pp. 10-11.

Section 280.30(j)(1)

Ameren Illinois urges the Commission to reject GCI's proposal to shorten the time utilities have to activate service from the 4 calendar days proposed by Staff to 3 calendar days. Ameren Illinois argues GCI failed to present any evidence utilities intentionally delay activation of service, 3 days may not be enough time to do all the work associated with activating an account, (particularly over 3-day holiday weekends, *see* ComEd Br., pp. 10-11), and there is no credible evidence customers currently have an issue with the timing of activation. Ameren Br., pp. 12-13; Ameren Reply Br., p. 11.

Section 280.30(j)(7)

Ameren Illinois asks the Commission to decline to limit or define "temporary" or "unforeseen" as those terms are used in the Section 280.30(j)(7) "temporary exception for unforeseen circumstances." Specifically, Ameren Illinois opposes GCI's proposal to limit what constitutes a temporary exception to only matters "due to severe weather or other emergency beyond the control of the utility." Ameren Illinois argues that GCI's proposal is unnecessarily constraining and too subjective to be workable. GCI's concern that utilities could attempt to use "predictable high workloads" during certain seasons as an excuse for delay is belied by the current language, which addresses this concern. Adequately "predictable" workloads (the premise of GCI's concern) could not be "unforeseen," as that word is used in Staff's proposal. GCI's proposal simply invites contest over whether a particular circumstance qualifies as "beyond the control of the utility." Ameren Br., p. 13; Ameren Reply Br., p. 12.

2. Section 280.35 Revert to Landlord/Property Manager Agreements

Section 280.35

Ameren Illinois urges the Commission to adopt Staff's proposal, which gives utilities the discretion to decide when to disconnect for non-payment at a location where there are no tenants and there is no prearrangement with the landlord or property manager. The utility argues there is no need to prescribe a time limit within which to disconnect service, because utilities are already financially motivated to disconnect service when there is no customer. Ameren Br., p. 14; Ameren Reply Br., pp. 12-13. Therefore, GCI's proposal to require disconnection in these circumstances should be rejected.

C. SUBPART C: DEPOSITS

1. Section 280.40(d)(3) Deposits

Section 280.40(d)(3)

Ameren Illinois advocates for adoption of Staff's proposal, which allows utilities to require deposits from residential applicants whose credit scores do not meet the minimum standard of the credit scoring system described in the utility's tariff. Credit scores indicate which customers are likely to fall behind on billing, allowing a utility to make upfront risk assessments that mitigate uncollectible amounts, noting it applied \$3.7 million towards uncollectible losses in 2010 because of deposits collected from customers with low credit scores. Ameren Illinois argues GCI's proposal to eliminate such deposits is unfair to other ratepayers upon whom the full burden of uncollectible losses would fall. Ameren Br., pp. 15-16; Ameren Reply Br., pp. 13-14. Ameren Illinois notes that other utilities, such as ComEd, IAWC, Nicor, and Peoples/North Shore also support Staff's proposal. Ameren Reply Br., p. 13.

Section 280.40(e)

Ameren Illinois witness Karman testified that all non-payment disconnections are preceded by late payments, and Ameren Illinois therefore supports Staff's proposal to allow utilities to obtain deposits based on late payments from customers who have had service for more than 24 months, because protection of the utility does not change simply because a person has been a customer for the arbitrary period of 2 years. The company rejects GCI's contention that Staff's proposal would cause a significant impact, arguing that GCI witness Alexander did not account for both of Staff's requirements (i.e. that customers must have 4 late payments *and* an undisputed past due balance for over 30 days) and stating that for Ameren Illinois, the impact would be a mere .0073%. Ameren Illinois further argues low income customers are protected because Staff expanded their exemption from deposit requirements elsewhere in the rules. Ameren Illinois argues Staff's proposal mitigates risk, places the financial burden on the responsible customer, and should be adopted. Ameren Br., pp. 16-17; Ameren Reply Br., pp. 14-15.

2. Section 280.45 Deposits for Low Income Customers

Section 280.45(a)(1) and (2)

Ameren Illinois supports Staff's unopposed position that there should be no waiver of a low income deposit in cases of tampering or disconnection for non-payment. Ameren Br., p. 17; Ameren Reply Br., p. 15.

Section 280.45(b)(3)

Ameren Illinois opposes Staff's language for Section 280.45(b)(3) that would allow a low income customer who previously left Ameren Illinois with an unpaid final bill to obtain service at a later time without a deposit, claiming that Staff's proposal lacks empirical or objective support. Further, there is no correlation between the "20% of the average annual

billing for the other residential customers” metric proposed by Staff and the customer not providing security. The issue is what a non-paying customer should pay, not what others have paid. Ameren Br., p. 18.

D. SUBPART D: REGULAR BILLING

1. Section 280.50 Billing

Section 280.50

Ameren Illinois supports Staff’s proposal to require utilities to include a graphic comparison either in the form of a bar or pie chart of a customer’s current usage compared to the customer’s previous 12 months of historical usage and asks the Commission to also approve the prudently incurred costs of doing so. Ameren Br., p. 19; Ameren Reply Br., p. 16.

Section 280.50(d)(3)

Regarding this section, Ameren Illinois supports Staff’s proposal to add language to clarify that “written confirmation” includes “electronic written acceptance,” noting that no party has disagreed with this clarification. However, Ameren Illinois cautions that “written electronic acceptance” could be read to refer to two different means of communication such that “electronic or telephonic acceptance” is a clearer term and would better encompass future technology. Therefore, the section should be revised to clarify that “written acceptance” includes “electronic or telephonic acceptance.” Finally, Ameren Illinois has no objection to GCI’s proposal to allow customers to choose to have bills delivered by electronic means stating only that if a customer is willing to have the bill delivered by electronic means, they should be able to confirm the same electronically or permit the utility to make an electronic confirmation. Ameren Br., p. 19; Ameren Reply Br., p. 16.

E. SUBPART E: PAYMENT

1. Section 280.60 Payment

Section 280.60

Ameren Illinois urges the Commission to allow utilities to recover convenience fees from the customers who choose to pay their bills via methods that incur such fees, consistent with Staff's proposal. In 2009, 24% of Ameren Illinois customers made the conscious choice not to incur payment remittance costs (including U.S. postage stamps), and it would be unfair to require those customers to subsidize more expensive payment options chosen by others. Ameren Br., pp. 20-21; Ameren Reply Br., pp. 16-17; *see also* Ameren Ex. 4.0, p. 10, lines 201-06.

Section 280.60(b)(2)

Ameren Illinois argues that AARP's and GCI's proposal to have transaction fees socialized across all customers is unfair to those customers who choose to avoid such fees. Moreover, socialization will likely lead to an increase of such costs, which would result in higher rates to all customers. Despite GCI's contentions, Ameren Illinois states it does not promote the use of credit cards and does not receive any part of the credit card convenience fee. Ameren Br., pp. 20-21; Ameren Reply Br., p. 17.

2. Section 280.65 Late Payment Fee Waiver for Low Income Customers

3. Section 280.70 Preferred Payment Date

4. Section 280.80 Budget Payment Plan

Section 280.80(h)

Ameren Illinois argues the Commission should reject GCI's proposal to require utilities to review each budget plan at least twice during the term of the plan to ensure against significant shortfalls or credits, stating the record supports a finding that Staff's proposal provides adequate protection to customers. Moreover, GCI witness Marcelin-Reme admitted the term "shortfall"

was undefined and subjective; GCI's proposal therefore lacks meaningful parameters. Ameren Br., p. 21; Ameren Reply Br., p. 18.

F. SUBPART F: IRREGULAR BILLING

1. Section 280.90 Estimated Bills

Section 280.90(b)-(f)

Ameren Illinois proposes no changes to Staff's proposal as written and notes that many parties agree with its adoption. Ameren Illinois specifically rejects GCI's proposal regarding bill collection in cases where consecutive meter reads were not obtained without a valid reason. Ameren Illinois cites three reasons for its opposition to this proposal: (1) there are sometimes circumstances beyond a utility's control that prevent the utility from reading a meter; (2) the failure of two consecutive meter reads does not mean service was not provided; and (3) under GCI's proposal, the cost of such service would be unfairly borne by other customers. Ameren Br., p. 22; Ameren Reply Br., p. 18. Moreover, Ameren Illinois opposes a requirement that utilities obtain meter readings at the time service begins and ends for a customer as it is impractical to take a meter reading at the exact moment of installation or termination of service. Instead, Ameren Illinois argues Staff's proposal for making estimated turn-on and turn-off readings can be accomplished at reasonable cost and be sufficiently accurate. Ameren Br., p. 22; Ameren Reply Br., p. 19.

2. Section 280.100 Previously Unbilled Service

G. SUBPART G: REFUNDS AND CREDITS

1. Section 280.110 Refunds and Credits

Section 280.110(b)(1)

Ameren Illinois opposes GCI's suggestion to use the oldest available set of records to calculate refunds as it would lead to an unjustifiable statewide inconsistency because some

utilities have older records than others and may be based on a misunderstanding by GCI.

Ameren Illinois suggests that if the Commission does adopt GCI's proposal, it should apply the same extension to situations where the customer owes the utility money as a matter of equity and symmetry, and GCI supports this. Ameren Br., pp. 24-25; Ameren Reply Br., p. 20.

Section 280.110(d)

Ameren Illinois asks the Commission to exempt “[c]redits resulting from energy assistance funds and intentional customer overpayments” from accruing interest. Ameren Illinois notes the current rule directs interest to be paid only in cases of utility error and argues that, as a matter of equity and fairness, this is the only situation when interest should be paid. For example, interest should not be paid for an error by a third party, customer error, or intentional customer overpayment. However, without Ameren Illinois’ proposed language, the proposed rule would contradict the current rule, which does not make sense. Moreover, Ameren Illinois’ proposal reflects the fact that utilities credit customers’ accounts when they qualify for energy assistance before actual funds are received, and it makes no sense to require a utility to pay interest when it is still waiting for funds from the energy assistance provider. Any other outcome could result in utilities terminating the practice of crediting low income customers’ accounts in advance of receiving the funds from the energy assistance providers, which would harm customers. Ameren Br., pp. 22-23; Ameren Reply Br., p. 19.

In addition, Ameren Illinois recommends a slightly different grace period than that proposed by Staff and asks that interest not begin to accrue until the customer’s next bill statement (as opposed to 30 days from the date the actual money comprising the overpayment is held by the utility, as proposed by Staff). Such a grace period would account for the fact that customers with credits on their accounts may actually owe the utility money (because customers are billed a month behind for service already used) by only requiring interest on amounts that

remain after any credits are applied to the account and would decrease administrative burden. Ameren Br., pp. 23-24.

H. SUBPART H: PAYMENT ARRANGEMENTS

- 1. Section 280.120 Deferred Payment Arrangements (DPAs)**
- 2. Section 280.125 Deferred Payment Arrangements for Low Income Customers**

I. SUBPART I: DISCONNECTION

- 1. Section 280.130 Disconnection of Service**

Section 280.130(b)(4)

Ameren Illinois claims GCI's proposal to delete, as a reason for disconnection, the failure to provide access to utility facilities after 4 attempts lacks a basis in fact or policy as well as a credible explanation and should be rejected. Ameren Br., p. 26; Ameren Reply Br., p. 21.

Section 280.130(e)(5)

Ameren Illinois agrees with IBEW witness Loomis that periodic safety inspections eliminate the need for a knock at the door requirement and adequately address AARP's concerns on this point. Ameren Br., p. 26.

Section 280.130(j)(1)

Ameren Illinois supports Staff's proposed replacement of the requirement that utilities contact customers at the time of disconnection with a requirement that utilities call customers prior to disconnection. Ameren Illinois argues the "knock at the door" requirement poses an unreasonable risk of harm to utility employees who are forced to face customers in an emotionally charged situation and that the benefits can be achieved through a phone call. Ameren Br., pp. 25-26. Further, Ameren Illinois agrees with Staff that GCI's proposal is outdated, impractical, and unsafe for utility workers. Ameren Reply Br., p. 22. Ameren Illinois asserts GCI's suggestion that utilities make 2 telephone calls over a 24-hour period to a

delinquent customer before disconnection is unreasonable. First, the customer is aware of the pending disconnection through notices. Second, there is no evidence the increased cost associated with the proposal will result in fewer disconnections. Ameren Br., p. 26. GCI's suggestion should be rejected.

2. Section 280.135 Winter Disconnection of Residential Heating Services, December 1 through March 31

3. Section 280.140 Disconnection for Lack of Access

4. Section 280.150 Disconnection of Master Metered Accounts

J. SUBPART J: MEDICAL CERTIFICATION

1. Section 280.160 Medical Certification

Section 280.160

Ameren Illinois recommends 4 changes to the proposed language of Section 280.160, 3 of which are unopposed. First, the Commission should change the word “earns” (or any language otherwise suggesting a medical certificate is somehow “accomplished”) to “allows” in subsections (e)(1) and (2) and (h)(3) because a medical certificate does not confer compensation. Second, customers protected from disconnection should be required to make a good faith payment within the first 30 days of certification to get 60 days of protection from disconnection in order to avoid a situation where customers could go for 60 days without paying or even attempting to pay. This is a reasonable compromise since no initial down payment is made at the time a Medical Payment Arrangement (“MPA”) is reached and ensures customers don’t take advantage of MPAs at the expense of other customers. Third, customers should be required to enroll in a utility’s budget billing program. While Staff’s proposal does define how much each MPA installment payment would be based upon the outstanding amount owed at that point in time, the utility is not able to tell the customer what the future forthcoming payment expectations

will be unless the customer is enrolled in budget billing at the time of entering into a MPA. Fourth, Ameren Illinois proposes deleting section 280.160(i)(2), which requires the utility to offer new medical certification every 12 months to a previously certified account, even if amounts from an existing MPA are unpaid, noting inclusion of the section could lead to situations where customers go an entire year without making a payment. Ameren Br., pp. 27-29; Ameren Reply Br., pp. 22-23.

Section 280.160(b)

Ameren Illinois opposes GCI's proposal to add an additional 3 day period for customers to obtain medical certification after an oral declaration by the customer because such oral declarations would essentially amount to temporary self-certification. GCI's timing concerns are addressed by Staff's proposal to increase the time to submit written certification from 5 to 7 days and extend disconnection notices from 8 to 10 days. Ameren Br., pp. 29-30; Ameren Reply Br., p. 23.

K. SUBPART K: RECONNECTION

- 1. Section 280.170 Timely Reconnection of Service**
- 2. Section 280.180 Reconnection of Former Residential Customers for the Heating Season**

L. SUBPART L: UNAUTHORIZED SERVICE USAGE

- 1. Section 280.190 Treatment of Illegal Taps**

Section 280.190(g)

Ameren Illinois supports ComEd's recommendation to expand the expenses recoverable by utilities in situations involving illegal taps to include "all related expenses incurred by the utility" caused by the illegal tap. Such related expenses could include damage to the meter, investigation charges, meter locks, and lost revenues. Ameren Illinois notes that while Staff

voiced a concern about the language “all related” being too expansive, Staff failed to offer a real, concrete issue supporting a refusal to allow utilities to recover all related expenses. All customers should not have to pay for the illegal activities and related costs caused by a few “bad apples.” Ameren Br., p. 30.

Ameren Illinois also opposes GCI’s proposal to require utilities to verify landlord/owner contact information, make 3 contacts with the landlord/owner, and then proceed with investigating the allegation in high bill situations. Utilities should not be placed in the middle of a landlord/tenant situation in a theft of service investigation. Moreover, utilities do not have the power to interpret or enforce private lease agreements and should not interject themselves into lease disputes. Nor should a utility’s customers incur the costs associated with this type of investigation. *Id.*; Ameren Reply Br., p. 24.

2. Section 280.200 Tampering

3. Section 280.205 Non-Residential Tampering

4. Section 280.210 Payment Avoidance by Location (PAL)

Section 280.210

Ameren Illinois witness Karman testified that payment avoidance is a significant problem for Ameren Illinois and that during 2008, the company wrote off nearly \$6.5 million resulting from accounts disconnected for non-payment that immediately reconnected service at the same location within a 4 day window. She explained the likelihood of receiving payment is greater if the company can deny service in cases where the previous customer remains a member of the new applicant’s household. Ameren Illinois further notes that Staff accepted the company’s argument during the rulemaking proceeding and asks the Commission to adopt Staff’s proposed rule for Payment Avoidance by Location. Ameren Br., pp. 31-32; Ameren Reply Br., p. 24.

M. SUBPART M: COMPLAINT PROCEDURES

- 1. Section 280.220 Utility Complaint Process**
- 2. Section 280.230 Commission Complaint Process**

N. SUBPART N: INFORMATION

- 1. Section 280.240 Public Notice of Commission Rules**

Section 280.240

Ameren Illinois does not agree customers are unaware of Commission rules but nonetheless advocates for a requirement of utilities to include an annual bill message on bill statements that would provide information about obtaining the Commission's rules to customers upon request or by viewing the information on the utility's website. It notes that Staff concurs with Ameren Illinois' proposal. Ameren Br., pp. 32-33; Ameren Reply Br., p. 25.

- 2. Section 280.250 Second Language Requirements**
- 3. Section 280.260 Customer Information Packet**

Section 280.261

Ameren Illinois does not object to GCI's proposal to add 3 additional items to the Customer Information Packet but asks that if customers' rights are included, then customers' responsibilities be included as well. Ameren Br., p. 33; Ameren Reply Br., p. 25.

- 4. GCI Proposal to Add Section 280.270: Periodic Data Reporting**

Section 280.270

Ameren Illinois agrees with Staff that additional periodic data reporting on the effects of Part 280 is unnecessary. Notably, LIRC's assertions are unsupported by the record. Further, as GCI admits, Staff is entitled to obtain data and information from utilities, and Staff reports on various subjects to the General Assembly. Requiring utilities to create and submit additional

records before they are even requested would add undue burden and cost, and the proposal should be rejected. Ameren Br., p. 34; Ameren Reply Br., p. 26.

O. Section 280 Appendix A: Disconnection Notice

P. Section 280 Appendix B: Customer Rights Insert for Disconnection Notice

Ameren Illinois recommends Appendix B be revised to reflect the company's proposed changes to Part 280.160-Medical Certification. Specifically, Ameren Illinois asks the Commission to delete the language that suggests utilities must offer medical certificates every 12 months and add the requirement that a customer with a medical certificate must make a good faith effort payment within the first 30 days of certification. Ameren Illinois also asks for the addition that the customer's account will be enrolled on a budget billing plan. Ameren Br., p. 35.

Q. Section 280 Appendix C: Public Notice

R. Section 280 Appendix D: Disconnection Notice Insert for Residential Gas and Electric Customers

IV. CONCLUSION

As set forth above, as well as in Ameren Illinois' Initial and Reply Briefs, Joint Prehearing Outline and at the evidentiary hearing, Ameren Illinois' recommended changes to Part 280 are supported by the record and should be approved.

Dated: October 14, 2011

Respectfully submitted,

The Ameren Illinois Company

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CERTIFICATE OF SERVICE

I, Mark W. DeMonte, certify that on October 14, 2011, I served a copy of the foregoing AMEREN ILLINOIS' POSITION STATEMENT by electronic mail to the individuals on the Commission's Service List for the above captioned docket.

By: /s/ Mark W. DeMonte
Attorney for Ameren Illinois