**ILLINOIS COMMERCE COMMISSION**

**COVID RESPONSE**

**SUMMARY OF LARGE UTILITY/STAFF/JOINT CONSUMER PARTY STIPULATION**

Stipulated Moratorium Period (SMP)

* Because of the uncertainty with how long the state of emergency will go, we all agreed on ending the moratorium for purposes of this agreement to the earlier of 1) when all Illinois regions move to Phase 4, or 2) August 1st. If any region backtracks after that, we will jointly request a status hearing to assess whether the terms need to be revised.
  + *Transition Grace Period (TGP)* = the 60-day period immediately following the day the Stipulated Moratorium Period ends

Temporary, Revised Credit and Collection Procedures

* + Suspension on disconnections for nonpayment and late fees for nonpayment continues through the Stipulated Moratorium Period plus 30 days. Disconnection notices may be sent out at the end of the SMP (30 days before disconnections may start).
  + Communications
    - Utility will provide the communications to all residential customers with past due balances on their accounts regarding payment assistance and DPAs within 30 days of the final order (we’d prefer 14 days).
      * Email if express permission or US Mail
    - Each Utility will display the temporary credit and collections policies including the revised DPA terms information about reconnections for Requesting Customers on its website.
    - Each Utility shall issue a press release (to be reviewed by ICC CSD) and post information on its website encouraging customers who were disconnected for nonpayment prior to the Moratorium Period and whom the Utility has not already reconnected (Requesting Customers) to contact the Utility to discuss reconnection options and customer assistance plans.
    - No later than thirty (30) calendar days after the Order is issued in this Proceeding, the utilities will send letters with the same information to Requesting Customers.
  + Reconnection
    - Reconnections will be completed for all Previously Disconnected Customers that request it [[1]](#footnote-1)
      * Except for 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.
    - Reconnection fees waived for 6 months after SMP for LIHEAP-eligible and self-certified financial hardship.
      * Outstanding balance rolled over to the reconnected accounts. Customers will be encouraged to establish deferred payment arrangements (DPAs).
    - Reconnection will extend only to those Requesting Customers disconnected from one (1) year prior to commencement of the Stipulated Moratorium Period.
    - Reconnections will only be offered for the same service address that was previously disconnected for nonpayment.
  + DPAs
    - For 6 months following the SMP, DPA lengths of up to eighteen (18) months for (non-financial hardship) residential customers and twenty-four (24) months for LIHEAP-eligible OR residential customers expressing financial hardship.
    - Requirement that the utility CSR inform the customer of financial assistance options and extended DPA lengths when they call.
    - Through the Transition Period, down payments will be waived for LIHEAP-eligible and self-certified financial hardship and capped at 10% of the DPA for non-hardship
    - Customer can reestablish a DPA under same terms once after first default.
  + Deposits
    - Through TGP, waive new deposit requirements associated with late or nonpayment, arrearages, or credit related issues for residential customers.
    - Deposit waived for an additional four (4) month period after the Transition Grace Period ends for residential customers who verbally express financial hardship
  + Credit Reporting
    - For 6 months post SMP, utilities will not report late payments and nonpayment for active customers to credit bureaus and reporting agencies
  + Monthly Data Reporting
    - Credit and collections data to be reported by zip code through August 2021.
  + Other Commitments
    - Outside the NOI, Utilities agree to begin a discussion to improve the affordability of utility service for low income consumers, including a low-income discount and arrearage management/reduction programs, a specific examination of the effectiveness of the PIPP and the Energy Assistance Act that created it, including how to administer it more efficiently, whether it is adequately funded, and steps to ensure PIPP funds are used rather than being subject to government sweep.

COST RECOVERY

* *Cost Tracking*
  + COVID-19 Related Costs include:

(1) COVID-19 Direct Costs net of COVID-19 Direct Offsets;

(2) COVID-19 Foregone Late Fees;

(3) COVID-19 Foregone Reconnection Charges; and

(4) COVID-19 Bill Pay Assistance Program Amounts, incurred beginning March 1, 2020, through the end of the rider (2022).

* *Special Purpose Rider for Gas & Water Utilities*
  + Water and Gas Utilities may include COVID-19 costs in a Special Purpose Rider.
    - Rider recovery will take place over a twenty-four (24) month period, beginning no later than ninety (90) days after the Order is issued in this Proceeding or January 1, 2021, whichever is earlier, subject to a prudence and reasonableness review and reconciliation.
    - Fairly apportioned to classes using cost causation principles.
    - COVID-19 Bill Pay Assistance Program Amounts will be recovered from residential customers.
    - The Rider will recover:
      * **COVID-19 Direct Costs** - direct costs resulting from the Emergency Interim Order, obligations to accommodate the Governor’s Emergency Orders to control the spread of the COVID-19 pandemic, and any other reasonable measures taken by the utility in response to the COVID-19 pandemic, incurred beginning March 1, 2020 and ending on the later of the day on which all Restore Illinois Health Regions have moved to Phase 5 (Illinois Restored) under the Plan or March 1, 2022.
        + To be disaggregated by one-time costs and ongoing costs.
        + Costs to be offset by credits, payments, or other benefits received by the Utility from the federal, state, or local government as assistance for, reimbursement for, or to otherwise pay for or reduce a COVID-19 Direct Cost.
      * **Foregone Late Fees** –
        + Water and Gas Utilities other than Peoples Gas and North Shore, late payment fees capped at the difference between the actual late fees collected by the Utility in the calendar or fiscal year including the period beginning March 1, 2020 and ending 30 days after the Stipulated Moratorium Period and the authorized annual level of late payment fees included in “other revenues” in the Utility’s last rate case.
        + PGL & NS – capped at $17.1 million.
      * **Reconnection Fees**
        + From March 1, 2020 to 6 months after the SMP

No more than the amount equal to one reconnection fee per customer who was reconnected to service without charge pursuant to the Emergency Interim Order or the Stip.

* + - * **COVID-19 Bill Pay Assistance Program Amounts (Arrearage Program, see below)\**
* *Electric Formula Rate Utilities Cost Recovery*

### Deferred COVID-19 Costs will be included in the deferred regulatory asset allowed by  Energy Infrastructure Modernization Act. (EIMA) for ComEd, including direct costs and offsets (as identified above), if they exceed the statutory threshold of $10 million. Ameren does not expect to reach its statutory threshold ($3.7 M?), so it won’t be using a regulatory asset.

* + ComEd and Ameren will switch from using net write-offs to using uncollectible accounts expense in FERC Account 904 for any uncollectible amounts accrued the first of the month of the Order through December 31, 2020.
  + This will smooth out the big bump that would otherwise occur in 2022 (delay because of the way the rider is timed and reconciled).

Bill Payment Assistance Program

* + Each Water and Gas Utility shall create a Bill Payment Assistance program in order to provide eligible residential customers with relief from high arrearages. Each utility’s program will be slightly different in terms of the total amount in the program, the amount allotted to each customer and the way it will be administered.
  + Separate addenda will be attached to the Stip specifying the amount of funding that each utility will apply towards Bill Payment Assistance Program Amounts to be collected in a Special Purpose Rider
  + Within 30 days after order entered, Utilities will provide report that identifies the manner in which the COVID-19 Debt Forgiveness Program amounts will be distributed to eligible customers
  + **Note:** See chart with the cost/rate impacts.

Compliance Filing

* + Publicly filed 30 days after the quarter end of the following data:
    - COVID-19 Direct Costs (to the extent reasonably possible, broken down by cost subcategory);
    - COVID-19 Direct Offsets (to the extent reasonably possible, broken down by cost subcategory);
    - COVID-19 Foregone Late Fees;
    - COVID-19 Foregone Reconnection Charges (identified by type of fee or charge);
    - COVID-19 Bill Pay Assistance Program Amounts.

1. Customers disconnected up to one (1) year prior to commencement of the Stipulated Moratorium Period. [↑](#footnote-ref-1)