

KEY FACTS



Illinois Water System Viability Act Illinois Public Act 098-0213

Challenges in Infrastructure Investment

Communities throughout Illinois are looking for options to deal with their aging water and wastewater systems. According to the United States Environmental Protection Agency, Illinois' combined water and wastewater infrastructure investment needs are **\$36.4 Billion**. This new law gives communities an alternative to value their water and/or wastewater system when considering being acquired by an investor-owned water utility. Previous law only allowed the investor-owned water utility to pay the original cost minus depreciation to acquire a small system, public or private. Because of this, public systems were deprived from receiving more value for their system.



New Appraisal System

The Illinois Water Systems Viability Act allows communities to receive fair market value for their water and/or wastewater systems. It created a new appraisal system where the Illinois Commerce Commission, which regulates investor-owned utilities, selects three appraisers to value the system. The average of these three appraisals can be offered to the community. As with any acquisition involving an investor-owned water utility, the Illinois Commerce Commission must still approve all aspects of this type of acquisition.

Benefits of an Investor-Owned Water Utility

Investor-owned water utilities have a great ability to secure cost effective capital and thus make major necessary investments. Oversight by the Illinois Commerce Commission assures that rates are as low possible and consistent with high-quality, reliable service. Investor-owned water utilities pay property and sales taxes to local and state governments. Investor-owned also pride themselves on regulatory compliance by consistently meeting or surpassing drinking water requirements.

For more information, contact the Illinois Business Development team at ILBusinessDevelopment@amwater.com.