

ILLINOIS-AMERICAN WATER COMPANY
PART 280 RULES IMPLEMENTATION CHECKLIST

The Illinois Commerce Commission (Commission) has developed new Procedures for Gas, Electric, Water and Sanitary Sewer Utilities Governing Eligibility for Service, Deposits, Billing, Payments, Refunds and Disconnection of Service (the Part 280 Rules). The Part 280 Rules became effective November 1, 2014. The purpose of the Part 280 Rules “is to ensure that essential utility services are provided to and maintained for the People of the State of Illinois under reasonable terms and conditions, and to establish fair and equitable procedures governing eligibility for service, deposits, billing, payments, refunds and disconnection for gas, electric, water and sanitary sewer utilities that take into account the duty of the utility, customer, applicant and occupant to demonstrate good faith and fair dealing.” The Part 280 Rules replace and update prior Commission rules governing eligibility for service, deposits, payment practices and discontinuance of service, which had been in effect since 1979 (the old Rules).

Every utility that is subject to the Part 280 Rules must implement each requirement of the Part 280 Rules as quickly as reasonably practicable, but in no event later than **May 1, 2016**, unless the Commission grants the utility an extension of time to implement the Part 280 Rules. Every utility that is subject to the Part 280 Rules must also inform the public about when the utility has brought itself into compliance with each requirement of the Part 280 Rules by conspicuously posting an Implementation Checklist on its website, and by updating the Implementation Checklist at least every 30 days, until each requirement of the Part 280 Rules has been fully implemented.

Illinois-American Water Company is subject to the Part 280 Rules. Below is our Implementation Checklist, which provides the status of Illinois-American Water Company’s implementation of the Part 280 Rules. The Implementation Checklist also provides references to the Part 280 Rules Subpart and Section that impose each requirement of the Part 280 Rules, a general description of each requirement, and a general description of the old requirement currently in place, if applicable.

To view the Part 280 Rules in their entirety, please visit: <http://www.ilga.gov/commission/jcar/admincode/083/08300280sections.html>

For questions concerning Illinois-American Water Company Part 280 Rules Implementation Checklist, please contact our Customer Service Center at 855-705-8435.

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Part 280 Rule	General Description of New Requirement	Scheduled implementation date	Actual implementation date	General Description of Old Requirement
SUBPART A: GENERAL				
280.5	Policy	N/A	N/A	<i>Policy (280.10), Savings Clause (280.30)</i>
	<p>The Part 280 Rules are intended “to ensure that essential utility services are provided to and maintained for the People of the State of Illinois under reasonable terms and conditions, and to establish fair and equitable procedures governing eligibility for service, deposits, billing, payments, refunds and disconnection for gas, electric, water and sanitary sewer utilities that take into account the duty of the utility, customer, applicant and occupant to demonstrate good faith and fair dealing.” Utilities may expand or supplement the customer rights guaranteed by the Part 280 Rules as long as those policies are applied in a nondiscriminatory manner.</p> <p>The policies and procedures outlined in the Part 280 Rules take precedence over any inconsistent utility tariff, unless the conflicting tariff provision has been specifically approved by the Commission as a waiver or exemption from the Part 280 Rules.</p>			<p>The old Rules are intended “to establish fair and equitable procedures . . . , taking into account the duty of the utility, customer, applicant and user to demonstrate good faith and fair dealing.”</p> <p>The old Rules do not supersede or void any utility tariff until the Commission determines that the tariff is in contradiction of the old rules and allowing the tariff to remain in effect is not in the public interest.</p>
280.10	Exemptions	N/A	N/A	<i>Savings Clause (280.30)</i>
	<p>This rule allows a utility to request modification of or an exemption from the Part 280 Rules. That request may be granted by the Commission upon a showing that the modification or exemption is economically and technically sound, will not compromise the service obligations of the utility, and will not result in a net harm to consumers overall.</p>			<p>The old Rules permit a utility to file an application with the Commission for approval of a tariff that may contradict the old rules.</p>
280.15	Compliance	April 30, 2016	April 30, 2016	N/A
	This rule requires that each utility fully implement the new Part			

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	280 Rules by May 1, 2016, unless the Commission approves an extension. It also requires each utility to submit to the Commission an Implementation Plan, with updates to the Plan every 120 days until full implementation, and to post an Implementation Checklist on the utility's website, with updates to the Implementation Checklist no less frequent than every 30 days.			
280.20	Definitions	April 30, 2016	April 30, 2016	<i>Definitions (280.40)</i>
	This Rule contains both new definitions and definitions revised from the old Rules for certain terms that are used in the Part 280 Rules, to ensure consistent treatment of all parties affected by the Part 280 Rules. These definitions are incorporated into the remaining Part 280 Rules. Notably, this Rule defines the new term "low income customer," which requires each utility to identify as a "low income customer" a customer who has been qualified for energy assistance by a Low Income Home Energy Assistance Program administrator.			
SUBPART B: APPLICATIONS FOR UTILITY SERVICE				
280.30	Application	August 31, 2015	April 30, 2016	<i>Applicants for Service (280.50)</i>
	This Rule describes the rights and responsibilities of applicants and the utility in the application process, including: the acceptable methods of taking applications for service, acceptable forms of applicant identification, the information that utilities should gather from applicants, the conditions under which an application may be rejected or approved, and timing requirements for all this to be accomplished. It also contains timeliness requirements for activation of new service, and requires each utility to track and retain certain data to enable both the Commission and the utility to monitor the success of the application process.	Updated Implementation date April 30, 2016		The old Rule focuses almost exclusively on determining when a deposit should be assessed to an applicant. It provides very little guidance on the application process.

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280.35	Revert to Landlord/Property Manager Agreements	August 31, 2015	December 31, 2015	N/A
	This Rule clarifies and standardizes utility-landlord agreements regarding retaining active service to premises in between tenants and disconnecting service when a landlord does not wish to retain active service in between tenants. It also requires a utility to notify a landlord of changes in service responsibility, retain separation between landlord and tenant bills, and itemize billing transfers associated with rental properties.	Updated Implementation date December 31, 2015		
SUBPART C: DEPOSITS				
280.40	Deposits	April 30, 2015	April 30, 2015	<i>Deposits (280.70)</i>
	Customer deposits are used to secure against potential unpaid debts. Utility collection activities, when not otherwise restricted by regulations or laws, will limit the accumulation of unpaid debt so that deposits will continue to serve this protective purpose.			
280.45	Deposits for Low Income Customers	April 30, 2015	April 30, 2015	N/A
	A low income customer or applicant may be required to pay a deposit if the following conditions exist: The utility has proof that the applicant or customer benefitted from tampering. The applicant was previously disconnected for non-payment of bill amounts owing to the utility for the same class and type of service.			
SUBPART D: REGULAR BILLING				
280.50	Billing	August 31, 2015	April 30, 2016	N/A
	This Rule requires enhanced utility bill content, so that consumers will be more fully informed by their bills. It contains	Updated Implementation date		The old Rules require that the Commission's Consumer Services

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	new requirements for billing cycles and due dates, and for transfer balances from one customer account to another held by the same customer. It permits electronic billing methods, and requires that every bill include the Commission's Consumer Services Division contact information.	April 30, 2016		Division contact information be included on disconnect notices only. <i>(Notice of Utility Shut Off (280.Appx A), Requirements to Avoid Shut Off of Service in the Event of Illness (280.Appx B).)</i>
SUBPART E: PAYMENT				
280.60	Payment	December 31, 2015	April 30, 2016	<i>Past Due Bills and Late Payment Charges (280.90)</i>
	This Rule addresses all aspects of customer payments. It allows for as many payment methods as possible, and requires the utility to inform customers of those options. The Rule also describes the conditions under which a customer's payment may be considered late and the maximum fee that a utility can assess for late payment, and it prevents payments from being applied to disputed charges on customers' bills.	Updated April 30, 2016		The old Rules do not contain a section to address all aspects of customer payments.
280.65	Late Payment Fee Waiver for Low Income Customers	December 31, 2015	December 31, 2015	N/A
	This Rule provides that a customer who currently qualifies as a "low income customer" shall not be assessed a late payment fee.			
280.70	Preferred Payment Date	December 31, 2015	August 31, 2015	<i>Past Due Bills and Late Payment Charges (280.90(j)-(m))</i>
	This Rule is updated to reflect the changes in the various benefits programs that establish a customer's eligibility for a preferred payment date. It also requires a utility to proactively notify its customers who pay late twice in a 12-month period of the availability of preferred payment dates.	Updated Implementation date August 31, 2015		The old Rule requires that customers initiate conversations regarding preferred payment dates with the utility.
280.80	Budget Payment Plan	December 31, 2015	August 31, 2015	<i>Budget Payment Plan (280.120)</i>
	This Rule establishes specific directions to a utility for determining a customer's eligibility for budget billing, itemizing	Updated Implementation date		The old Rule recognizes the availability of budget payment plans

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	the budget payment plan balance on a customer's bills, adjusting and reconciling a customer's account when changes in usage or rates do not accommodate the budget billing amount, and cancelling the budget payment plan by either the customer or the utility.	August 31, 2015		and outlines a few basic principles surrounding the concept.
SUBPART F: IRREGULAR BILLING				
280.90	Estimated Bills	December 31, 2015	December 31, 2015	<i>Estimated Bills (280.80)</i>
	This Rule establishes the record keeping that a utility may use to justify its use of an estimate to render a customer bill, including its efforts to contact the customer and the results of those efforts. It also defines the procedures by which a customer may provide his or her own meter reading to a utility. The Rule limits the use of estimates for beginning and ending service when the utility has not read the meter in the past 60 days. Further, it requires a utility to include its estimated billing formula in its tariffs.			The old Rule allows for repeated consecutive estimated readings. It is silent on beginning and ending readings.
280.100	Previously Unbilled Service	December 31, 2015	August 31, 2015	<i>Unbilled Service (280.100)</i>
	This Rule more clearly defines the payment process that should be extended to customers who find themselves with a makeup bill. It requires itemization of amounts attributed to previously unbilled service on a utility bill, and affords customers a fair time to pay off the makeup bill without exhausting their right to a normal deferred payment plan.	Updated Implementation date August 31, 2015		The old Rule does not contain requirements to ensure clear itemization of any amount on a bill that is a makeup for previously unbilled service.
SUBPART G: REFUNDS AND CREDITS				
280.110	Refunds and Credits	December 31, 2015	December 31, 2015	<i>Refunds (280.75)</i>
	This Rule requires interest on refunds of overpayments due to utility error, but add details such as: the steps involved with issuing a refund, maintenance of the records necessary for a refund, appearance of a refund on a bill, and the two-year statute of limitations for bringing a complaint before the			The old Rule simply focuses on interest paid with a refund, with little mention of procedures other than to require that the refund be a credit on the next bill unless the customer

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	Commission concerning a refund.			requests a refund by check.
SUBPART H: PAYMENT ARRANGEMENTS				
280.120	Deferred Payment Arrangements (DPA)	April 30, 2016	April 30, 2016	<i>Deferred Payment Agreements (280.110)</i>
	This Rule maintains much of the structure of the old Rule, but removes the reinstatement limit of one reinstatement per DPA. It also allows utilities to file a tariff to assess a reinstatement fee on or after the second reinstatement of a DPA.			The old Rule provides a detailed description of DPAs, and allows for a customer to reinstate a defaulted DPA just once.
280.125	DPAs for Low Income Customers	April 30, 2016	April 30, 2016	N/A
	This Rule provides enhanced DPA protections for low income customers, including: 20% as the maximum required down payment (as opposed to 25% in the new and old Rules), six billing cycles as the minimum term (as opposed to four in the new and old Rules), a waiver of the reinstatement fee, and entitlement to an amended DPA where at least two consecutive payments were made on a failed DPA.			
SUBPART I: DISCONNECTION				
280.130	Disconnection of Service	August 31, 2015	August 31, 2015	<i>Discontinuance of Service (280.130)</i>
	This Rule requires certain advance warning to a customer before the day of disconnection, but removes the outdated "knock at the door" before disconnection requirement. It also allows for appropriately limited overlap between consecutive disconnection notices, and permits a disconnection notice to remain active for 45 days. It extends the number of days from when a notice is sent and when it goes into effect from eight to ten days. It also requires a warning letter when service has been left on without a customer of record and new persons occupy the premises, to provide notice that service will be disconnected unless an applicant establishes service. Finally, it requires a utility to at least attempt disconnection when a customer has ignored multiple consecutive disconnection			The old Rule requires that a utility representative who is disconnecting service first knock on the customer's door. It also permits a disconnection notice to remain effective for 40 days, and permits disconnection five days after delivery or eight days after mailing of a disconnection notice. It provides no guidance to utilities or customers when service has been left on without a customer of record and new persons occupy the premises.

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	notices, and is updated to incorporate certain moratoriums against disconnection.			
280.135	Winter Disconnection of Residential Heating Services, December 1 through March 31	N/A	N/A	<i>Discontinuance of Service During the Period of Time from December 1 through and Including March 31 (280.135)</i>
280.140	Disconnection for Lack of Access to Multi-Meter Premises	August 31, 2015	August 31, 2015	<i>Discontinuance of Service to Accounts Affecting Master-Metered Apartment Buildings (280.140)</i>
	This Rule addresses the difficulty presented by multi-customer buildings where the utility is unable to gain access to disconnect a customer who is not paying. In order to safeguard against potential hardships for the paying customers in a multi-customer building, the Rule establishes a series of escalating warnings and procedures to help the utility gain access without disconnection. In the event that disconnection becomes necessary, it contains directives that provide for service to be restored on an expedited basis when access is gained, as well as a credit to the paying customers who were inconvenienced by the shut-off.			The old Rule allows for disconnection when access is not provided, but only when a utility has issued four estimated bills in a row to a customer.
280.150	Disconnection of Master-Metered Apartment Buildings	April 30, 2015	April 30, 2015	<i>Discontinuance of Service to Accounts Affecting Master-Metered Apartment Buildings (280.140)</i>
	Like the old Rule, this Rule simply references the applicable Illinois Statute that governs the topic, the Rental Property Utility Service Act (765 ILCS 735). However, the Rule is re-organized to make it more easily understood.			This Rule simply references the applicable Illinois Statute that governs the topic, the Rental Property Utility Service Act.
SUBPART J: MEDICAL CERTIFICATION				
280.160	Medical Certification	April 30, 2016	April 30, 2016	<i>Discontinuance of Service (280.130(j))</i>
	This Rule no longer requires that a patient's medical condition be on a certification of illness. Further, it establishes a 30-day			The old Rule temporarily protects a customer's service from

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	period after medical certification within which the customer does not have to make any payment. It also establishes two forms of automatic Medical Payment Arrangements (MPA), which a utility must establish on the first bill that is due for a certified customer after the 30 days is over. The MPA plan is more favorable if the customer account is certified prior to disconnection. It also provides that a previously certified consumer account may be recertified any time after either 12 months has passed since the prior certification or any time after the customer successfully brings his or her account balance to the point of having no past due amount. Finally, it requires the utility to maintain records regarding medical certificates and to reflect MPAs on utility bills.			disconnection when a medical condition is properly certified. It requires a customer to establish and keep current with a payment plan during the first 30 days of certification in order to have the certificate renewed. The old Rule is silent on what that payment plan should look like.
SUBPART K: RECONNECTION				
280.170	Timely Reconnection of Service	August 31, 2015	August 31, 2015	N/A
	This Rule mirrors the service connection timelines in Rule 280.30—four calendar days for electric, water, and sewer services, and seven calendar days for natural gas. It also allows for a utility to miss the standard in circumstances that are beyond its control, and incorporates a reconnection standard of one business day for customers using medical certificates for service restoration or customers who were disconnected in error.			
280.180	Reconnection of Former Residential Customers for the Heating Season	N/A	N/A	<i>Reconnection of Former Residential Utility Customers for the Heating Season (280.138)</i>
SUBPART L: UNAUTHORIZED SERVICE USAGE				
280.190	Treatment of Illegal Taps	April 30, 2015	April 30, 2015	<i>Treatment of Illegal Taps (280.105)</i>
	Under the Part 280 Rules, an illegal tap is theft from another			The old Rule requires a utility to

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	customer who pays the bill. This Rule explains how a utility may treat illegal taps, and is substantially the same as the old requirement. The structure of the new requirement is more consumer-friendly, however.			investigate illegal taps and explains how a utility may treat them.
280.200	Tampering	April 30, 2015	April 30, 2015	<i>Unbilled Service (280.100(c))</i>
	Under the Part 280 Rules, tampering is theft from the utility. This Rule is similar to the old Rule, but requires the utility to investigate suspected tampering and notify the customer of its findings. It also requires the utility to maintain evidence to support a tampering claim.			The old Rule permits the utility to bill a customer for all service usage during the period tampering occurred, including for diverted service not used by that customer, if the customer had knowledge of or consented to the diversion.
280.205	Non-Residential Tampering	April 30, 2015	April 30, 2015	N/A
	This Rule governs theft of service on a larger scale than the previous Rule on residential tampering, and extends to facilities alteration that would allow a business to steal large quantities of utility service. The Rule permits disconnection of service where the utility has proof of large scale non-residential tampering until, at the customer's expense, any tampering equipment is removed and the customer pays for the unauthorized usage of service.			
280.210	Payment Avoidance by Location	April 30, 2016	April 30, 2016	N/A
	This Rule entitles a utility to require a deposit or, in limited circumstances, deny service where it can prove a pattern of payment avoidance by location. It imposes conditions, including that the former customer still reside in the premises and the new applicant benefitted from the former customer's unpaid utility service. It also requires a utility to notify both the applicant and the Commission's Consumer Services Division when the utility invokes the protections of the new Rule, and			

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	includes specific notification and dispute procedures, as well as reporting requirements.			
SUBPART M: COMPLAINT PROCEDURES				
280.220	Utility Complaint Process	April 30, 2015	April 30, 2015	<i>Dispute Procedures (280.160)</i>
	This Rule retains the basic guidelines of the old Rules regarding consumer complaints, but adds detail, including: a timeline for utility response, procedures for supervisory referrals and response, procedures to deal with disputed third party charges on a utility bill, and a grace period for a customer who is under threat of disconnection to file an informal case with the Commission's Consumer Services Division. It also requires the utility to assign and retain complaint numbers to all customer complaints.			The old Rule provides a general outline of the steps that a utility should follow when it receives a customer complaint.
280.230	Commission Complaint Process	April 30, 2016	April 30, 2016	<i>Commission Complaint Procedures (280.170)</i>
	This Rule requires the utility to prioritize informal customer complaints that deal with the most serious topics. It also allows for extensions on informal complaints that require more detailed work by the utility, and adds details about the content of a utility's response to an informal complaint. It also provides that, in the case of an unresolved informal complaint where the consumer wishes to file a formal complaint, the utility will allow for a minimum of 10 business days without disconnection of service for the customer to make the filing with the Commission.			The old Rule requires an applicant, customer, user, or utility, to file an informal complaint with the Commission's Consumer Services Division before filing a formal complaint with the Commission, and generally outlines the process for doing so.
SUBPART N: INFORMATION				
280.240	Public Notice of Commission Rules	April 30, 2015	April 30, 2015	<i>Public Notice of Commission Rules (280.180)</i>
	This Rule requires the utility to provide specified notice of the availability of the Commission's Part 280 Rules (Part 280 Rules, Appendix C) on its website and annually in writing, and			The old Rule requires the utility to post notice of the Commission's rules in its offices where it transacts

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	to inform customers how they can obtain a copy of the rules.			business.
280.250	Second Language Requirements	August 31, 2015	August 31, 2015	<i>Second Language Notices (280.190)</i>
	This Rule is the same as the old Rule.			The old Rule requires, upon a demonstrated need, the utility to include certain additional warning in an appropriate second language in its disconnection notice.
280.260	Customer Information Packet	August 31, 2015	April 30, 2016	<i>Customer Information Booklet (280.200)</i>
	This Rule standardizes consumer information packet content and establishes distribution requirements. It also requires the utility to provide the Commission's Consumer Services Division advance notice of any changes to the packet.	Updated Implementation date April 30, 2016		The old Rule contains few specifics on the content of the utility's information booklet, which it requires the utility to provide to applicants for service and maintain at its business offices.
280.Appx A	Disconnection Notice	April 30, 2016	April 30, 2016	<i>Notice of Utility Shut Off (280.Appx A)</i>
	This Appendix is a disconnection notice with plain language text that includes a reference to the Commission's Medical Certification process, which is covered in more detail in Appendix B.			The old Appendix provides a disconnection notice template for the utility to use.
280.Appx B	Customer Rights	April 30, 2016	April 30, 2016	<i>Requirements to Avoid Shut Off of Service in the Event of Illness (280.Appx B)</i>
	This Appendix retains a description of the Medical Certificate process, but also provides overall customer rights to be included with each disconnection notice to residential customers. New topics include: methods of payment, deferred payment arrangements (including renegotiation and reinstatement), financial assistance programs available, protections for military families, deposit rules, reconnection policies, complaint procedures, and availability of the			The old Appendix is exclusively dedicated to the Medical Certificate process.

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	Commission's rules, including the Part 280 Rules.			
280.Appx C	Public Notice	April 30, 2015	April 30, 2015	<i>Public Notice (280.Appx C)</i>
	This Appendix retains the language of the old Rule, but includes a reference to the availability of the Commission's Part 280 Rules online.			The old Appendix provides public notice of the Commission's Part 280 Rules.
280.Appx D	Disconnection Notice Insert for Residential Gas and Electric Customers	N/A	N/A	<i>Insert to Be Included with Each Notice of Disconnection Sent to Residential Gas and Electric Customers (280.Appx D)</i>