

## **OVERVIEW: PEOPLE'S UTILITY RATE RELIEF ACT [PURR] – HOUSE BILL 2172 / SENATE BILL 1775**

*Illinois utility bills are unaffordable for millions of customers across the state. Bill increases – driven by unchecked utility spending and new monthly surcharges – are the reason life-essential utility services are now beyond reach for so many – a health safety crisis for Illinois households. Yet, all Illinois utilities recently filed for historic rate increases at the Illinois Commerce Commission [ICC], the regulator empowered to decide rate increases. The PURR Act prioritizes affordability; uninterrupted access to life essential utility service; and increased accountability, balance, transparency, and access to ICC decision-making. Proposed revisions to the utility and regulatory framework are:*

- 1. ISSUE: COST** Life essential utility bills are unaffordable for many because ICC and utility decision-making processes fail to assess the impact of unending electric and gas rate and bill increases. **CONSEQUENCE** Families incur a spiral of debt and lose essential utility services to disconnection. Credit scores are damaged, impacting access to housing, jobs, and financing. **PROPOSED SOLUTION** Require ICC assessment of affordability in all decisions, and incorporate “affordability” into the regulatory framework of ICC decision making. Require electric and gas utilities to design tiered, customer discount rates that begin to align with the national standard of a 6% cap of household income. Expand discount program rates to include households up to 80% AMI. Prioritize uninterrupted access to essential utility service, increase flexibility in payment and collection procedures, and eliminate punitive credit reporting. **PAGE # AND ILCS CITATION** pp. 1-5, Section 1-102(e); page 110, Section 8-201(b); pp. 122-126, Section 8-202.5; page 132, Section 8-202.8; pp. 153-159, Section 9-241; pp. 164-165, Section 10-111.
- 2. ISSUE: ACCESSIBILITY** ICC regulatory proceedings are inaccessible to the public, with little interaction between the agency and actual utility customers. **CONSEQUENCE** There is a lack of public engagement and transparency in ICC decision-making processes and a lack of public understanding of what the ICC does, how it functions, and its impacts. **PROPOSED SOLUTION** Require robust ICC public engagement, including enhanced education on energy efficiency and assistance programs, and meaningful reporting to the public. Revise the existing ICC intervenor compensation statute to remove nonsensical hurdles to community-based participation in ICC proceedings. **PAGE # AND ILCS CITATION** pp. 6-8, Section 4-201, pp. 17, Section 4-304, pp. 146-153, Section 9-229.
- 3. ISSUE: HEALTH & SAFETY** Prevent unfair and life-threatening disconnections – especially for our most financially and medically vulnerable customers, and especially during times of increasing extreme heat, humidity and cold. **CONSEQUENCE** Health and safety for vulnerable families is at risk – particularly in communities experiencing historic and continued economic disinvestment. Utilities disconnect those most in need first using a “black-box” risk ranking system. LIHEAP applicants are disconnected during their application process. Seniors, families with small children, disabled/medically infirm, and other financially vulnerable customers are continually faced with losing essential utility service and suffering health harms, even death. **PROPOSED SOLUTION** Remove current incentives for utilities to disconnect customers. Require utilities to prove customer outreach, access to affordable payment arrangements, energy efficiency and other affordability programs prior to any disconnection. Halt accelerated disconnections of customers deemed “high-risk” for non payment. Stop disconnections of LIHEAP applicants during the application process. Incorporate a “heat index” assessment in the statutory summertime disconnection prohibition. Ensure utilities can’t disconnect customers from December 1 through March 31, regardless of temperature change. **PAGE # AND ILCS CITATION** pp. 1-6, Section 1-102(e); p. 17, Section 8-101.5; pp. 132-133, Section 8-202.5; pp. 129-132, Section 8-202.7, 8-202.8, pp. 165-170, Section 16-111.8, pp. 170-174, Section 19-145.
- 4. ISSUE: IMPACT** Certain zip codes and census areas are disproportionately impacted by current utility collection practices. **CONSEQUENCE** Utility disconnection and regulatory practices produce disparate negative impacts for certain customers. **PROPOSED SOLUTION** Add new ICC reporting and decision-making requirements to ensure equity and affordability are assessed in all rate decisions. Improve equity in utility regulation by measuring the impact of all utility programs on low- and moderate-income customers. Limit disconnections in zip code and census tract areas that have been disproportionately impacted by current utility collection policies. **PAGE # AND ILCS CITATION** pp. 8-17, Section 4-304, pp. 132-133, Section 8-205, pp. 134-140, Section 8-206, pp. 165-170, Section 16-111.8, pp. 170-174, Section 19-145.