

Attorney General Raoul Announces Protections For Consumers When Utility Shut-off Moratorium Ends

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Chicago – Attorney General Kwame Raoul today announced that his office, along with consumer groups and the Illinois Commerce Commission, has entered into an agreement with the major utility companies to enact important consumer protections once the Illinois Commerce Commission's (ICC) shut-off and late fee moratorium has lifted. This moratorium was instituted to provide relief to utility customers during the COVID-19 pandemic.

"Illinois residents are still experiencing financial hardships as a result of the COVID-19 pandemic," Raoul said. "My office advocated on behalf of consumers not only to ensure residents will have access to manageable repayment plans and bill assistance so that they stay connected to vital utility services, but also to provide regulators with data to assess whether particular communities, including communities of color, are being disproportionately impacted by a utility's disconnection and credit and collections processes."

Under the terms of the agreement, the moratorium may remain in place until Illinois enters Phase 4 of the Governor's Restore Illinois plan, but no later than Aug. 1. At that time, the utilities have agreed to send a notice to any consumer subject to a disconnection and give a 30-day grace period before the disconnection can take place. Consumers who have difficulty paying their utility bills will be given 18 to 24-months to repay any accrued balances and may be eligible for bill financial assistance.

On March 18, the ICC issued an emergency order mandating all public utilities to suspend service disconnections until at least May 1, or until the state of emergency is lifted. Additionally, the order dictated that utilities must suspend late fees, and adopt flexible credit and collections practices. The ICC order applied to all Illinois electric gas, water, and sewage public utilities services.

For the past several weeks, the Attorney General's office, along with Citizens Utility Board (CUB), Community Organizing and Family Issues (COFI) represented by the National Consumer Law Center, and Legal Aid Society of Metropolitan Family Services, has pushed for consumer protections to be enacted once the moratorium is lifted. As part of the agreement filed with the ICC today, utility companies will continue to offer more flexible credit and collection procedures for consumers for six months following the end of the moratorium. If consumers have stopped paying their bills during the moratorium, they may expect to receive notices from utility companies explaining past due balances and repayment options. Upon receiving a disconnection notice, consumers can enroll in a deferred payment arrangement of up to 24 months to avoid disconnection. Reduced down payments on payment plans will be available, and no down payment will be required for LIHEAP (Low Income Home Energy Assistance Program) customers and customers who express financial hardship. Deposits associated with late or non-payment, arrearages, or credit-related issues will be waived for six months for consumers experiencing financial hardship. Additionally, expanded bill payment assistance will be available for low-income customers.

Utility companies will be required to report disconnect, credit, and collections data over the next several months. Reporting will be broken down by ZIP code to allow the ICC to assess the impact a utility's disconnection and repayment practices may have on certain communities, including whether communities of color are disproportionately affected.

"Parents were already drowning as a result of the high costs of utilities. COVID-19 has added a heavier weight. It is imperative that utilities throw financially challenged communities a lifeline to ease the burden of utilities we need for basic survival," COFI parent leader Rosazlia Grillier said. "Our thanks to the Attorney General, the Mayor, our advocacy partners, and the National Consumer Law Center."

Attorney General Raoul encourages Illinois residents who have past due balances, experience utility disconnections, or receive disconnection notices to take advantage of these expanded consumer protections. Residents who have questions about the new protections in place can contact his office at 1-800-386-5438 (Chicago), 1-800-243-0618 (Springfield), 1-800-243-0607 (Carbondale), or by filing a complaint on his website.