



Illinois American Water Submits Rate Change Request To Illinois Commerce Commission

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BELLEVILLE — Illinois American Water today filed a request with the Illinois Commerce Commission (ICC) to adjust its water and wastewater base rates following an extensive examination of investments to provide safe and reliable water and wastewater service. The request is driven primarily by over \$1.1 billion in completed or planned investment – \$948 million in water system improvements and approximately \$204 million in wastewater system improvements – across the state from 2018 through 2023.

The filing is a necessary first step in the 11-month ICC rate review process; rates are not changing at this time. Any new rates would not become effective until early 2023, six years since Illinois American Water's last general rate change in 2017.

“We carefully plan and invest in our water and wastewater systems to provide safe and reliable service to nearly 1.3 million Illinoisians in 146 communities across the state,” said Justin Ladner, Illinois American Water President. “These investments are key to providing outstanding service and reliability, both now and in the future.”

Investments include the replacement, lining, and installation of approximately 141 miles of aging water and wastewater pipelines. Investments also include upgrading water and wastewater treatment plants, storage tanks, wells, pumping stations, fire hydrants, meters, manholes, and more across the state.

If the company’s proposed rates are approved as requested, the monthly water service bill for the typical residential customer using 3,500 gallons per month with a 5/8-inch meter would increase between \$6 and \$14 per month, depending on the service area. The typical residential wastewater bill would increase between \$7 and \$17 per month, depending on the service area.

“By making prudent, ongoing investments to maintain and upgrade our water and wastewater systems, Illinois American Water is committed to the safety and reliability of our systems in the communities we serve,” Ladner stated. “At the same time, we remain steadfastly committed to addressing the needs of our most vulnerable customers and supporting affordability.”

According to Ladner, Illinois American Water’s operating and maintenance costs per customer have remained virtually unchanged since 2012, though costs continue to rise. He said, “This is a result of our ability to leverage our purchasing power and our team’s effort to manage expenses so we can keep customer rates as low as possible while continuing to deliver reliable service.”

To further assist customers, Illinois American Water’s rate change request includes a low-income discount tariff. If approved, the low-income discount tariff would provide an approximately 70% decrease in the volumetric charge for both water and wastewater service for qualifying residential customers. This could result in lowering a typical residential customer’s monthly bill for 3,500 gallons with a 5/8-inch meter by about \$23 for water service. A combined collection and treatment wastewater service bill for the same customer could see a decrease of about \$8 to \$15 a month, depending on the service area.

“It is important that any rate change reflect our commitment to affordability for our customers as well as the critical investments in our systems to maintain public health,” said Ladner.

Some of the company's critical infrastructure projects included in the rate request are as follows:

- Ongoing replacement of lead service lines across the state.
- Solar fields in Champaign and in Peoria. The energy-saving photovoltaic (PV) fields, which convert light to usable energy, are the largest of their kind within American Water's footprint, nationwide.
- Ultraviolet (UV) disinfection installed at several water treatment plants including Alton, East St. Louis, Granite City, and Streator. The new treatment technology supports safe drinking water to residents and businesses.
- A new South Water Treatment Plant in the Lincoln service area to support continued, reliable service.
- New Chemical Feed Systems in Champaign, Alton, East St. Louis, Streator, Peoria, and Jerseyville. The improvements support continued and reliable service and allows for the safe and secure handling of chemicals.
- Over six miles of sanitary sewer main installation in Alton to address requirements set forth by the Illinois Environmental Protection Agency to remedy combined sewer overflows.
- Upgrades to the Chickasaw Water Reclamation Facility in Homer Glen to support continued, reliable service, and meet enhanced regulatory requirements.
- A new high service pump station at the Sterling water treatment plant and a new, larger elevated water tank on the north side of town.
- Ten water storage tanks to serve the communities of Sterling, Streator, Pontiac, Peoria, Sidney, Lincoln, Arbury Hills, Hardin County, Granite City, and East St. Louis.

The company's rate request will undergo extensive public scrutiny by the ICC. This vetting will include numerous data requests and evidentiary hearings. Customers will also have an opportunity to provide public comment. For more information on the company's request, visit illinoisamwater.com.

The increased rates proposed are a request only. The ICC will make the final decision regarding the actual rate change. Once a final decision has been made, customers will receive information on the new rates.

For customers facing a financial hardship, Illinois American Water offers customer assistance through the H2O Help to Others program, payment plans and budget billing. Illinois American Water also provides information to customers about the Low Income Household Water Assistance Program (LIHWAP). More information can be found on the company's website [here](#).

About Illinois American Water – Illinois American Water, a subsidiary of American Water (NYSE: AWK), is the largest investor-owned water utility in the state, providing high-quality and reliable water and wastewater services to approximately 1.3 million people. American Water also operates a customer service center in Alton and a quality control and research laboratory in Belleville.

With a history dating back to 1886, American Water (NYSE:AWK) is the largest and most geographically diverse U.S. publicly traded water and wastewater utility company. The company employs approximately 6,400 dedicated professionals who provide regulated and regulated-like drinking water and wastewater services to an estimated 14 million people in 24 states. American Water provides safe, clean, affordable and reliable water services to our customers to help keep their lives flowing. For more information, visit amwater.com and follow American Water on Twitter, Facebook and LinkedIn.