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ICC Orders \$7.2 Million Refund to Peoples Gas Customers

The Illinois Commerce Commission (ICC) Wednesday voted unanimously to approve a settlement between the Staff of the ICC, Illinois Attorney General, the Citizens Utility Board, and The Peoples Gas Light and Coke Company directing the utility to refund more than \$7.2 million to customers for Qualifying Infrastructure Plant (QIP) charges assessed in 2015.

Under the settlement in Docket 16-0197, \$7,270,112 will be refunded to customers paid as follows: (a) \$3.5 million shall be applied to a 'Reconnection Fund' to reconnect service and forgive outstanding debt for eligible low-income residential customers, (b) \$3.5 million will be applied as a one-time credit on customers' bills, and (c) \$270,112 will be returned to customers through Qualifying Infrastructure Plant surcharge reductions. Additionally, Peoples Gas will not report late payments by its customers to credit reporting agencies through December 2028. The company must also continue to solely fund the Share the Warmth program, eliminating a required customer matching payment, and promote the distribution of Share the Warmth funds in written and oral customer communications.

In addition, the settlement requires Peoples Gas to permanently remove \$7 million dollars from its rate base, which is used to establish Peoples Gas' delivery base rates.

"The settlement that the Commission adopted Wednesday is fair and reasonable. Peoples Gas will return revenue it should not have recovered through Qualifying Infrastructure Plant surcharges in 2015. Peoples Gas' customers will receive a credit, and low- and fixed-income customers will obtain other important relief," said Jim Zolnierek, Interim Executive Director for the Illinois Commerce Commission.

In 2013, the Illinois General Assembly passed, and former Governor Pat Quinn signed into law the QIP legislation (PA 98-57) allowing gas utilities to impose a surcharge on customers to recover the costs of

replacing aging natural gas pipeline infrastructure, upgrading systems and moving customer meters outside of homes for easier inspections.

The law was adopted following a March 2011 United States Pipeline and Hazardous Materials Safety Administration call to action which came in response to a series of deadly gas explosions around the country.

The Peoples Gas SMP calls for replacement of 2,000 miles of cast iron and other aged mains, upgrade of 300,000 customer service lines and relocation of gas meters from inside customer premises to outside, over a 20-year period.

Under Section 9-220.3 of the Public Utilities Act, the ICC is required to approve QIP recovery costs when they are deemed reasonable and prudently incurred. Formal investigations into the prudence of QIP-related costs in 2016, 2017, and 2018 are currently pending before the Commission.

Docket 16-0197 can be viewed through the Commission's e-Docket system online at <https://www.icc.illinois.gov/docket/Documents.aspx?no=16-0197>.

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About the Illinois Commerce Commission

The Illinois Commerce Commission (ICC) is a quasi-judicial body made up of five Commissioners. Through its Public Utility Program, the Commission oversees the provision of adequate, reliable, efficient and safe utility services at the least possible cost to Illinois citizens served by electric, natural gas, telecommunications, water and sewer public utility companies. Through its Transportation Regulatory Program, the Commission oversees public safety and consumer protection programs with regard to intrastate commercial motor carriers of general freight, household goods movers, relocation towers, safety towers, personal property warehouses and repossession agencies. The Commission's Rail Safety Program also inspects and regulates the general safety of railroad tracks, facilities and equipment in the state.

To learn more about the Commission, its offices and bureaus, click [here](#). If you are a consumer who needs help resolving a utility dispute call 800-524-0795 or file an online complaint [here](#). For a complaint related to transportation, call 217-782-6448.

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