

Ameren seeks fee to make up for uncollectible bills

By **ADRIANA COLINDRES**

GateHouse News Service

Posted Sep 09, 2009 @ 06:37 AM

SPRINGFIELD — AmerenCIPS, AmerenCILCO and AmerenIP are asking the state's utility regulator for permission to impose a fee on customers that would cover unpaid bills left behind by other customers.

The three companies, jointly called the Ameren Illinois Utilities, filed paperwork last week with the Illinois Commerce Commission. It's not clear yet when the ICC will decide on the matter, or how much the fee might be.

The fee, which would appear on monthly bills, would make up for what are known as "uncollectibles" -- the unpaid bills that remain after a customer's utilities are shut off due to non-payment.

Existing state law already allows investor-owned utilities, such as Ameren, to recoup that money through the rates that customers pay for delivery of electricity or natural gas.

But Ameren collected only a portion of the unpaid amount in 2008, said spokesman Leigh Morris. He couldn't provide specific figures for 2008 on Tuesday, and he said it's too soon to gauge how the 2009 figures will look.

A new law, which Gov. Pat Quinn signed in July, streamlines the process by which the utilities can recover any money they're still owed because of uncollectible accounts.

"It's not as dramatic of an issue as you might think it is at first blush," Morris said. "It isn't something that is new. It's only new in the sense of how you do it."

Other kinds of businesses engage in similar practices, he said. For instance, retailers who lose money because of shoplifting "build in those costs to their prices," Morris said.

If Ameren can't collect the money from unpaid bills, customers would suffer because Ameren would have less money to spend on keeping the utility system in good shape, he added.

The new law also includes provisions meant to lower the number of uncollectible accounts, said Rep. Bob Flider, a Mount Zion Democrat who helped get the measure passed.

David Kolata, who heads the Citizens Utility Board, added that the new law calls for investments in energy efficiency that should lower customers' electricity and natural gas bills.

Ameren also has other business still pending before the Illinois Commerce Commission: a proposed \$226 million delivery rate hike for electricity and natural gas customers. The ICC is expected to decide on that next spring.

On Tuesday, the ICC announced three public hearings in connection with the rate case.

The hearings are scheduled for Sept. 29 in hearing room A of the ICC offices, 527 E. Capitol Ave., Springfield; Oct. 5 in the Kenneth Hall Regional Office Building, 1100 Eastport Plaza, Collinsville; and Oct. 27 in the Pekin City Council Chambers, 111 S. Capitol St., Pekin.

The Ameren Illinois Utilities provide electricity to about 1.2 million customers throughout the southern two-thirds of the state. They serve more than 800,000 natural gas customers in the same areas.