



*i*nformational Bulletin

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Changes to the Energy Assistance Charges and the Creation of the Energy Transition Assistance Charge

This bulletin is written to inform you of recent changes; it does not replace statutes, rules and regulations, or court decisions.

To: All Electric and Natural Gas Utilities and Cooperatives

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Public Acts

Energy Assistance Charges:

P.A. 102-16
P.A. 102-176
P.A. 102-671
P.A. 102-673

Energy Transition Assistance Charge:

P.A. 102-662

Effective January 1, 2022, the **Energy Assistance Charge** for utilities and cooperatives that serve 100,000 or more Illinois customers has been restructured which may affect the rates assessed.

Also taking effect January 1, 2022, an electric utility serving more than 500,000 customers in Illinois shall assess and collect an **Energy Transition Assistance Charge** from each of its retail customers. All revenue received as payment of the Energy Transition Assistance Charge will be remitted to the Illinois Department of Revenue (IDOR) and will be deposited in the Energy Transition Assistance Fund, which will be used to promote clean energy in Illinois.

Energy Assistance Charge *(electric and gas service)*

What are the new Energy Assistance Charge rates effective January 1, 2022?

Effective January 1, 2022, electric and gas utilities that served 100,000 or more Illinois customers on January 1, 2021, should assess each of their customers the monthly Energy Assistance Charge as follows:

- **Base Energy Assistance Charge** for residential service,
- **10× Base Energy Assistance Charge** for non-residential accounts below 10 megawatts of peak demand (electric) / 4 million therms of gas during the previous year, and
- **375× Base Energy Assistance Charge** for non-residential accounts equal to or above 10 megawatts of peak demand (electric) / 4 million therms of gas during the previous year.

The Base Energy Assistance Charge for 2022 is **\$0.48**.

For calendar year 2022, the Energy Assistance Charges are:

- ▶ For electric or gas utilities or cooperatives that served 100,000 or more Illinois customers on January 1, 2021, the monthly Energy Assistance Charge rate on each account will be:
 - \$0.48 for residential service, which is the 2022 Base Energy Assistance Charge.
 - \$4.80 for non-residential
 - electric service accounts with less than 10 megawatts of peak demand during the previous calendar year, or
 - gas service accounts with less than 4,000,000 therms of gas during the previous calendar year. This amount is ten times the 2022 Base Energy Assistance Charge.
 - \$180.00 for non-residential
 - electric service accounts with 10 or more megawatts of peak demand during the previous calendar year, or
 - gas service accounts with 4,000,000 or more therms of gas during the previous calendar year. This amount is three hundred seventy-five times the 2022 Base Energy Assistance Charge.
- ▶ For electric or gas utilities or cooperatives that served less than 100,000 Illinois customers on January 1, 2021, the monthly Energy Assistance Charge rate on each account will be:
 - \$0.40 for residential service.
 - \$4.00 for non-residential
 - electric service accounts with less than 10 megawatts of peak demand during the previous calendar year, or
 - gas service accounts with less than 4,000,000 therms of gas during the previous calendar year.
 - \$300.00 for non-residential
 - electric service accounts with 10 or more megawatts of peak demand during the previous calendar year, or
 - gas service accounts with 4,000,000 or more therms of gas during the previous calendar year.

Will there be an increase to the Base Energy Assistance Charge?

Yes. Beginning in 2023, the monthly Base Energy Assistance Charge will increase every calendar year by \$0.16, provided that 80% or more of the funding in the Supplemental Low-Income Energy Assistance Fund for the previous State fiscal year is exhausted. The maximum Base Energy Assistance Charge shall not exceed \$0.96 per month for any calendar year.

The Supplemental Low-Income Energy Assistance Fund is funded by the Energy Assistance Charges deposited by gas and electric utilities or cooperatives and is administered by the Illinois Department of Commerce and Economic Opportunity (DCEO). The Fund is used for low-income bill payment assistance and to supplement the state of Illinois weatherization program.

How do I report the Energy Assistance Charges to IDOR?

For Electric Utilities or Cooperatives - Electric utilities or cooperatives must file Illinois Form RPU-6, Assistance Charges Return for Electricity Distributors, on or before the 20th day of the month to report and pay the total amount of assistance charges, as well as renewable energy charges and, if applicable, the Energy Transition Assistance Charge (see next page), collected from their customers during the preceding month.

For Gas Utilities or Cooperatives - Gas utilities or cooperatives must file Illinois Form RG-6, Assistance Charges Return for Natural Gas Distributors, on or before the 20th day of the month to report and pay the total amount of assistance charges, as well as renewable energy charges, collected from their customers during the preceding month.

We encourage you to file and pay electronically on **MyTax Illinois**, available at mytax.illinois.gov.

Energy Transition Assistance Charge *(electric service)*

What is the Energy Transition Assistance Charge?

The Energy Transition Assistance Charge is the amount that an electric utility serving more than 500,000 Illinois customers collects monthly from those customers for electric services delivered. The utility then pays the total collected charge each month to IDOR, which collects the money on behalf of the Illinois Department of Commerce and Economic Opportunity. Revenue collected from the charge is deposited into the Energy Transition Assistance Fund and used to promote clean energy job initiatives.

DCEO determines the Energy Transition Assistance Charge annually. The charge for each calendar year is based on the amount of kilowatt-hour deliveries in the preceding 12 month period ending on May 31. DCEO will notify each electric utility of their required Energy Transition Assistance Charge.

How do I know what the Energy Transition Assistance Charge rate will be for the upcoming year?

By October 31 of each year, electric utilities with more than 500,000 Illinois customers are required to report the total kilowatt-hours of energy delivered during the 12 month period ending on the immediately preceding May 31. DCEO will then determine the utility's total Energy Transition Assistance Charge for the next calendar year and notify them accordingly. For each utility, the charge shall be recovered through a single, uniform cents per kilowatt-hour charge applicable to all retail customers. For each utility, the charge shall not exceed 1.3% of the amount paid per kilowatt hour by those customers during the year ending May 31, 2009.

How do I report the Energy Assistance Transition Charges to IDOR?

The Energy Transition Assistance Charge will be reported on Illinois Form RPU-6, Assistance Charges Return for Electricity Distributors. A new version of the form will be available in 2022.

NOTE: If you already registered as an electric utility with the Illinois Department of Revenue, no additional registration is required.

Where can I get additional information?

For more information, call weekdays between 8:00 a.m. and 4:30 p.m. at **217 782-5906** or visit our website at **tax.illinois.gov**.