

2002

ILLINOIS

REGISTER

RULES
OF GOVERNMENTAL
AGENCIES

Volume 26, Issue 35

August 30, 2002

Pages 12,867 - 13,111



Index Department
Administrative Code Div.
111 East Monroe Street
Springfield, IL 62756
(217) 782-7017
<http://www.cyberdriveillinois.com>

 Printed on recycled paper

PUBLISHED BY JESSE WHITE • SECRETARY OF STATE

TABLE OF CONTENTS

August 30, 2002 Volume 26, Issue 35

PROPOSED RULES

COMMERCE COMMISSION, ILLINOIS

Standard Filing Requirements for Electric, Gas, Water and Sewer Utilities and
Telecommunications Carriers in Filing for an Increase in Rates

83 Ill. Adm. Code 285 Repeal.....12867

Standard Information Requirements for Public Utilities and
Telecommunications Carriers in Filing for an Increase in Rates

83 Ill. Adm. Code 28512917

Submission of Rate Case Testimony

83 Ill. Adm. Code 28613015

Rate Case Test year

83 Ill. Adm. Code 28713021

PUBLIC AID, DEPARTMENT OF

Medical Payment

89 Ill. Adm. Code 14013026

Hospital Services

89 Ill. Adm. Code 14813046

TRANSPORTATION, DEPARTMENT OF

Official Testing Stations

92 Ill. Adm. Code 44813078

ADOPTED RULES

INSURANCE, DEPARTMENT OF

Mastectomies

50 Ill. Adm. Code 201613084

Health Maintenance Organization

50 Ill. Adm. Code 542113088

EMERGENCY RULES

AGRICULTURE, DEPARTMENT OF

Illinois Pesticide Act

8 Ill. Adm. Code 25013093

JOINT COMMITTEE ON ADMINISTRATIVE RULES

SECOND NOTICES RECEIVED

Regulatory Innovation Projects

35 Ill. Adm. Code 18713097

Advertising and Sales Promotion of Life Insurance and Annuities

50 Ill. Adm. Code 90913097

Life Insurance and Annuity Replacement Regulation

50 Ill. Adm. Code 91713097

Insurance Producers Doing Business Under an Assumed Name or Firm

50 Ill. Adm. Code 310913097

Premium Fund Trust Account

50 Ill. Adm. Code 311313097

Pre-licensing and Continuing Education	
50 Ill. Adm. Code 3119	13097
Pay Plan	
80 Ill. Adm. Code 310	13097
Pay Plan	
80 Ill. Adm. Code 310	13097
Admission to and Discharge from Illinois Veterans Homes	
95 Ill. Adm. Code 107	13097

JCAR REVIEW OF EXISTING RULES STATEMENT OF OBJECTIONS AND RECOMMENDATIONS

ILLINOIS LIQUOR CONTROL COMMISSION

The Illinois Liquor Control Commission	
11 Ill. Adm. Code 100 Recommendation.....	13099

BANKS AND REAL ESTATE, OFFICE OF

Real Estate Appraiser Certification	
68 Ill. Adm. Code 1455 Recommendation.....	13100

CENTRAL MANAGEMENT SERVICES, DEPARTMENT OF

Travel	
80 Ill. Adm. Code 2800 Objection.....	13101
The Travel Regulation Council	
80 Ill. Adm. Code 3000 Objection.....	13102

COMMERCE COMMISSION, ILLINOIS

Digital Divide Elimination Infrastructure Fund	
83 Ill. Adm. Code 759 Recommendation.....	13103

EXECUTIVE ORDERS AND PROCLAMATIONS

PROCLAMATIONS

September 28, 2002, as Public Lands Day	
02 - 434	13104
September 2002 as Food Safety Awareness Month	
02 - 435	13104
August 15, 2002, as Alison Bair Day	
02 - 436	13105
September 11, 2002, as International Brotherhood of Electrical Workers Local 309 Day	
02 - 437	13106
September 2002 as College Savings Month	
02 - 438	13106
October 7-13, 2002, as Financial Planning Week	
02 - 439	13107
August 7, 2002, as Assyrian Martyr's Day	
02 - 440	13108
Randale R. Valenti	
02 - 441	13108
August 15, 2002, as Niranjana S. Shah Day	
02 - 442	13109

September 17, 2002, as Constitution Day	
02 – 443.....	13111
August 19-24, 2002, as Outstanding Young Farmers Week	
02 – 444	13111

ISSUES INDEX I – 1

Editor’s Notes: The Cumulative Index and Sections Affected Index will be printed on a quarterly basis. The printing schedule for the quarterly and annual indexes are (End of March, June, Sept, Dec) as follows:

Issue 41 - October 11, 2002: Data through	September 30, 2002 (3rd Quarter)
Issue 3 - January 10, 2003: Data through	December 31, 2002 (Annual)
Issue 15 - April 11, 2003: Data through	March 31, 2003 (1st Quarter)
Issue 28 - July 11, 2003: Data through	June 30, 2003 (2nd Quarter)
Issue 41 - October 10, 2003: Data through	September 29, 2003 (3rd Quarter)
Issue 2 - January 9, 2004: Data through	December 29, 2003 (Annual)

INTRODUCTION

The Illinois Register is the official state document for publishing public notice of rulemaking activity initiated by State governmental agencies. The table of contents is arranged categorically by rulemaking activity and alphabetically by agency within each category. The Register will also contain the Cumulative Index and Sections Affected Indices will be printed on a quarterly basis. The printing schedule for the quarterly and annual indexes are the end of March, June, Sept, Dec.

Rulemaking activity consist of proposed or adopted new rules; amendments to or repealers of existing rules; and rules promulgated by emergency or peremptory action. Executive Orders and Proclamations issued by the Governor; notices of public information required by State statute; and activities (meeting agendas, Statements of Objection or Recommendation, etc.) of the Joint Committee on Administrative Rules (JCAR), a legislative oversight committee which monitors the rulemaking activities of State agencies; is also published in the Register.

The Register is a weekly update the Illinois Administrative code (a compilation of the rules adopted by State agencies). The most recent edition of the Code along with the Register comprise the most current accounting of State agencies'

The Illinois Register is the property of the State of Illinois, granted by the authority of the Illinois Administrative Procedure Act [5ILCS 100/1-1 et seq.].

2002 REGISTER SCHEDULE VOLUME # 26

Issue#	Copy Due by 4:30 pm	Publication Date	Issue#	Copy Due by 4:30 pm	Publication Date
Issue 1	December 26, 2001	January 04, 2002	Issue 38	September 09, 2002	September 20, 2002
Issue 2	January 01, 2002	January 11, 2002	Issue 39	September 16, 2002	September 27, 2002
Issue 3	January 07, 2002	January 18, 2002	Issue 40	September 23, 2002	October 04, 2002
Issue 4	January 14, 2002	January 25, 2002	Issue 41	September 30, 2002	October 11, 2002
Issue 5	January 22, 2002	February 01, 2002	Issue 42	October 07, 2002	October 18, 2002
Issue 6	January 28, 2002	February 08, 2002	Issue 43	October 14, 2002	October 25, 2002
Issue 7	February 04, 2002	February 15, 2002	Issue 44	October 21, 2002	November 01, 2002
Issue 8	February 11, 2002	February 22, 2002	Issue 45	October 28, 2002	November 08, 2002
Issue 9	February 19, 2002	March 01, 2002	Issue 46	November 04, 2002	November 15, 2002
Issue 10	February 25, 2002	March 08, 2002	Issue 47	November 12, 2002	November 25, 2002
Issue 11	March 04, 2002	March 15, 2002	Issue 48	November 18, 2002	November 29, 2002
Issue 12	March 11, 2002	March 22, 2002	Issue 49	November 25, 2002	December 06, 2002
Issue 13	March 18, 2002	March 29, 2002	Issue 50	December 02, 2002	December 13, 2002
Issue 14	March 25, 2002	April 05, 2002	Issue 51	December 09, 2002	December 20, 2002
Issue 15	April 01, 2002	April 12, 2002	Issue 52	December 16, 2002	December 27, 2002
Issue 16	April 08, 2002	April 19, 2002			
Issue 17	April 15, 2002	April 26, 2002			
Issue 18	April 22, 2002	May 03, 2002			
Issue 19	April 29, 2002	May 10, 2002			
Issue 20	May 06, 2002	May 17, 2002			
Issue 21	May 13, 2002	May 24, 2002			
Issue 22	May 20, 2002	May 31, 2002			
Issue 23	May 27, 2002	June 07, 2002			
Issue 24	June 03, 2002	June 14, 2002			
Issue 25	June 10, 2002	June 21, 2002			
Issue 26	June 17, 2002	June 28, 2002			
Issue 27	June 24, 2002	July 05, 2002			
Issue 28	July 01, 2002	July 12, 2002			
Issue 29	July 08, 2002	July 19, 2002			
Issue 30	July 15, 2002	July 26, 2002			
Issue 31	July 22, 2002	August 02, 2002			
Issue 32	July 29, 2002	August 09, 2002			
Issue 33	August 05, 2002	August 16, 2002			
Issue 34	August 12, 2002	August 23, 2002			
Issue 35	August 19, 2002	August 30, 2002			
Issue 36	August 26, 2002	September 06, 2002			
Issue 37	September 02, 2002	September 13, 2002			

Printed by authority of the State of Illinois

July 2001 - 675 – GA - 82

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- 1) Heading of the Part: Standard Filing Requirements for Electric, Gas, Water and Sewer Utilities and Telecommunications Carriers in Filing for an Increase in Rates
- 2) Code Citation: 83 Ill. Adm. Code 285
- 3)

<u>Section Numbers:</u>	<u>Proposed Action:</u>
285.110	Repeal
285.115	Repeal
285.120	Repeal
285.130	Repeal
285.140	Repeal
285.145	Repeal
285.150	Repeal
285.160	Repeal
285.170	Repeal
285.180	Repeal
285.205	Repeal
285.210	Repeal
285.310	Repeal
285.405	Repeal
285.410	Repeal
285.420	Repeal
285.510	Repeal
285.1000	Repeal
285.1005	Repeal
285.1010	Repeal
285.1015	Repeal
285.2000	Repeal
285.2005	Repeal
285.2010	Repeal
285.2015	Repeal
285.2020	Repeal
285.2025	Repeal
285.2030	Repeal
285.2035	Repeal
285.2040	Repeal
285.2045	Repeal
285.2050	Repeal
285.2055	Repeal
285.2060	Repeal

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

285.2065	Repeal
285.2070	Repeal
285.2075	Repeal
285.2080	Repeal
285.2085	Repeal
285.2090	Repeal
285.2095	Repeal
285.2100	Repeal
285.2105	Repeal
285.2110	Repeal
285.2115	Repeal
285.2120	Repeal
285.2125	Repeal
285.3000	Repeal
285.3005	Repeal
285.3010	Repeal
285.3015	Repeal
285.3020	Repeal
285.3025	Repeal
285.3030	Repeal
285.3035	Repeal
285.3040	Repeal
285.3045	Repeal
285.3050	Repeal
285.3055	Repeal
285.3060	Repeal
285.3061	Repeal
285.3065	Repeal
285.3070	Repeal
285.3075	Repeal
285.3080	Repeal
285.3085	Repeal
285.3090	Repeal
285.3095	Repeal
285.3100	Repeal
285.3105	Repeal
285.3110	Repeal
285.3115	Repeal
285.3120	Repeal
285.3125	Repeal

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

285.3130	Repeal
285.4000	Repeal
285.4001	Repeal
285.4005	Repeal
285.4010	Repeal
285.4015	Repeal
285.4020	Repeal
285.4025	Repeal
285.5000	Repeal
285.5005	Repeal
285.5010	Repeal
285.5015	Repeal
285.5020	Repeal
285.5025	Repeal
ILLUSTRATON A	Repeal

- 4) Statutory Authority: Implementing Section 9-201 and authorized by Section 10-101 of the Public Utilities Act [220 ILCS 9-201 and 10-101].
- 5) A Complete Description of the Subjects and Issues Involved: The Commission has proposed the adoption of new rules on this subject. The current rules predate the deregulation of the telecommunications and electric industries, and repeal of the current rules is appropriate.
- 6) Will this proposed repealer replace an emergency repealer currently in effect? No
- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Does this proposed repealer contain incorporations by reference? No
- 9) Are there any other proposed amendments pending on this Part? No
- 10) Statement of Statewide Policy Objective: This proposed repealer neither creates nor expands any State mandate on units of local government, school districts, or community college districts.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- 11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking:

Comments should be filed, within 45 days after the date of this issue of the *Illinois Register*, in Docket 02-0509 with:

Donna M. Caton
Chief Clerk
Illinois Commerce Commission
527 East Capitol Avenue
Springfield IL 62701
(217)782-7434

- 12) Initial Regulatory Flexibility Analysis:

A) Types of small businesses, small municipalities and not for profit corporations affected: This repealer will affect any subject jurisdictional entities that are also small businesses as defined in the Illinois Administrative Procedure Act. This repealer will not affect any small municipalities or not for profit corporations.

B) Reporting, bookkeeping or other procedures required for compliance: None

C) Types of professional skills necessary for compliance: None

- 13) Regulatory Agenda on which this rulemaking was summarized: July 2002

The full text of the Proposed Repealer begins on the next page:

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

TITLE 83: PUBLIC UTILITIES
CHAPTER I: ILLINOIS COMMERCE COMMISSION
SUBCHAPTER b: PROVISIONS APPLICABLE TO
MORE THAN ONE KIND OF UTILITY

PART 285

STANDARD FILING REQUIREMENTS FOR ELECTRIC, GAS, WATER AND
SEWER UTILITIES AND TELECOMMUNICATIONS CARRIERS IN FILING FOR AN
INCREASE IN RATES (REPEALED)

SUBPART A: GENERAL INSTRUCTIONS

Section	
285.110	Purpose
285.115	Definitions
285.120	Applicability
285.130	Minimum Requirements
285.140	Waiver of Information Requirements
285.145	Compliance
285.150	Test Year
285.160	Submission of Written Testimony
285.170	Schedules
285.180	Working Papers

SUBPART B: SUPPLEMENTAL FILING REQUIREMENTS (L)

Section	
285.205	Information to be Included
285.210	Material to be Filed

SUBPART C: SUPPLEMENTAL INFORMATION

Section	
285.310	Information to be Made Available

SUBPART D: PRODUCTIVITY DATA AND COMPONENT EFFICIENCY MEASURES (L)

Section	
285.405	Information to be Made Available
285.410	Productivity Data

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

285.420 Component Efficiency Measures

SUBPART E: PROPRIETARY AND CONFIDENTIAL INFORMATION

Section

285.510 Proprietary and Confidential Information

SUBPART F: REVENUE AND FINANCIAL SUMMARIES

Section

285.1000 Revenue and Financial Summaries

285.1005 Schedule A-1 Comparison of Present and Proposed Rates Jurisdictional Pro Forma
(Non-Telecommunications Carriers)

285.1010 Schedule A-2 Comparison of Present and Proposed Rates (Telecommunications
Carriers)

285.1015 Schedule A-3 Overall Financial Summary

SUBPART G: RATE BASE

Section

285.2000 Rate Base Instructions

285.2005 Schedule B-1 Jurisdictional Rate Base Summary

285.2010 Schedule B-2 Plant in Service by Major Property Grouping or Major Account
(Original Cost)

285.2015 Schedule B-2.1 Proposed Adjustments to Plant in Service (Original Cost)

285.2020 Schedule B-2.2 Gross Additions, Retirements and Transfers (Original Cost)

285.2025 Schedule B-2.3 Property Merged or Acquired from Other Utilities

285.2030 Schedule B-2.4 Leased Property Included in Rate Base

285.2035 Schedule B-2.5 Property Held for Future Use Included in Rate Base

285.2040 Schedule B-2.6 Property Excluded from Rate Base

285.2045 Schedule B-3 Depreciation Reserve

285.2050 Schedule B-3.1 Proposed Adjustments to Depreciation Reserve

285.2055 Schedule B-3.2 Depreciation Accrual Rates by Accounts, Functional Class or Major
Property Group

285.2060 Schedule B-4 Construction Work in Progress

285.2065 Schedule B-4.1 (L) Construction Work in Progress Percent Complete

285.2070 Schedule B-5 Allowance for Working Capital

285.2075 Schedule B-5.1 Balance Sheet Analysis

285.2080 Schedule B-6 Jurisdictional Allocation Factors

285.2085 Schedule B-6.1 Jurisdictional Allocation Statistics - Rate Base

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- 285.2090 Schedule B-6.2 Explanation of Changes in Allocation Procedures - Rate Base
- 285.2095 Schedule B-7 Comparative Balance Sheet for Most Recent Five Fiscal or Calendar Years
- 285.2100 Fair Value Rate Base
- 285.2105 Schedule B-8 Jurisdictional Current Value Rate Base Summary
- 285.2110 Schedule B-8.1 Current Value Plant in Service by Major Property Grouping or Major Account
- 285.2115 Schedule B-8.2 Proposed Adjustments to Current Value Plant in Service
- 285.2120 Schedule B-8.3 Current Value Depreciation Reserve
- 285.2125 Schedule B-8.4 (L) Adjustments to Current Value Depreciation Reserve

SUBPART H: OPERATING INCOME

Section

- 285.3000 Operating Income Instructions
- 285.3005 Schedule C-1 Jurisdictional Operating Income Summary
- 285.3010 Schedule C-2 Detailed Jurisdictional Operating Income Statement
- 285.3015 Schedule C-3 Summary of Utility Proposed Adjustments
- 285.3020 Schedules C-3.1, 2, 3, etc. Detailed Adjustments
- 285.3025 Schedule C-4 Reconciliation of Filed Operating Income and Expense
- 285.3030 Schedule C-5 Summary of Jurisdictional Allocational Factors
- 285.3035 Schedule C-5.1 Allocation Statistics
- 285.3040 Schedule C-5.2 Explanation of Changes in Allocation Procedures
- 285.3045 Account Analyses
- 285.3050 Schedule C-6 Income Tax
- 285.3055 Schedule C-6.1 Investment Tax and Job Development Credits
- 285.3060 Schedule C-7 Social and Service Club Membership Dues
- 285.3061 Schedule C-8 Charitable Contributions
- 285.3065 Schedule C-9 Demonstration and Selling, Advertising, and Miscellaneous Sales Expenses
- 285.3070 Schedule C-10 Civil, Political and Related Activities
- 285.3075 Schedule C-11 Rate Case Expense
- 285.3080 Schedule C-12 Payroll Costs
- 285.3085 Schedule C-12.1 Executive Compensation
- 285.3090 Schedule C-13 Summary of Affiliated Interest Transactions
- 285.3095 Schedule C-14 Computation of Gross Revenue Conversion Factor
- 285.3100 Schedule C-15 Comparative Income Statements for the Most Recent Five Fiscal or Calendar Years
- 285.3110 Schedule C-16.1 (L) Sales Statistics - Total Company Revenue (Electric and Gas)
- 285.3115 Schedule C-16.2 (L) Sales Statistics - Total Company Sales Volume (Electric and

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- Gas)
- 285.3120 Schedule C-16.3 (L) Sales Statistics - Jurisdictional Revenue (Electric and Gas)
- 285.3125 Schedule C-16.4 (L) Sales Statistics - Jurisdictional Sales Volume (Electric and Gas)
- 285.3130 Schedule C-17 Long-Run Marginal Cost Study(ies) (Telecommunications)

SUBPART I: RATE OF RETURN

Section

- 285.4000 Schedule D-1 Cost of Capital Summary
- 285.4001 Terms Used in Subpart I
- 285.4005 Schedule D-2 Cost of Short-Term Debt
- 285.4010 Schedule D-3 Embedded Cost of Long-Term Debt, including Notes
- 285.4015 Schedule D-4 Embedded Cost of Preferred Stock
- 285.4020 Schedule D-5 Comparative Financial Data
- 285.4025 Schedule D-6 Statement of Cash Flows

SUBPART J: RATES AND TARIFFS

Section

- 285.5000 Schedule E-1 Copy of Proposed Tariff Schedules
- 285.5005 Schedule E-2 Scored Copy of Proposed Tariff Schedules
- 285.5010 Schedule E-3 Narrative Rationale for Tariff Changes
- 285.5015 Schedule E-4 Jurisdictional Operating Revenue
- 285.5020 Schedule E-5 Billing Units
- 285.5025 Schedule E-6 Typical Bill Comparison

ILLUSTRATION A Working Papers Referencing System

EXHIBIT A Revenue and Financial Summaries (Repealed)

EXHIBIT B Rate Base (Repealed)

EXHIBIT C Operating Income (Repealed)

EXHIBIT D Rate of Return (Repealed)

EXHIBIT E Rates and Tariffs (Repealed)

AUTHORITY: Implementing Section 9-201 and authorized by Section 10-101 of the Public Utilities Act [220 ILCS 5/9-201 and 10-101].

SOURCE: Adopted at 5 Ill. Reg. 9029, effective August 28, 1981; amended and codified at 7 Ill. Reg. 15562, effective December 20, 1983; emergency amendment at 10 Ill. Reg. 760, effective January 1, 1986, for a maximum of 150 days; amended at 10 Ill. Reg. 8980, effective May 25, 1986; amended at 14 Ill. Reg. 6000, effective May 1, 1990; amended at 15 Ill. Reg. 16050,

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

effective November 1, 1991; amended at 18 Ill. Reg. 10684, effective July 1, 1994; repealed at 26 Ill. Reg. _____, effective _____.

SUBPART A: GENERAL INSTRUCTIONS

Section 285.110 Purpose

The Standard Filing Requirements are designed to assist the Commission in performing a review of filings for base rate increases under Section 9-201 of The Public Utilities Act (Ill. Rev. Stat. 1987, ch. 111 2/3, par. 9-201). Schedules contained in the filing requirements may be designed to provide support for the utility's position or to provide supplemental information to facilitate the Commission Staff's review of the filing. The format presentation of information in these filing requirements should not be construed to bind the Commission to a decision based on this data. The information supplied under these Standard Filing Requirements shall not be construed as evidence or made part of the record unless it is offered by a party under the applicable Commission rules (83 Ill. Adm. Code 200.610 to 200.700).

Section 285.115 Definitions

"Act" means The Public Utilities Act (Ill. Rev. Stat. 1987, ch. 111 2/3, pars. 1-101 et seq.).

"Average data" means the 13-month average data base required for materials and supplies, fuels, gas in underground storage, and accrued real estate taxes. A 13-month average would be the average of the period beginning with the last month of the proposed Test Year and going back a period of 13 months. If monthly data are not available, the term "average" is to be construed as a simple average of beginning and end-of-year amounts.

"Jurisdictional" means the portion of a utility's certificated service or area for which the requested rate increase is applicable.

"Law" means the Universal Telephone Service Protection Law of 1985, Article XIII of the Act (Ill. Rev. Stat. 1987, ch. 111 2/3, pars. 13-101 to 13-803).

"Total jurisdictional annual revenue," as used in Sections 285.120 and 285.130, means the utility's total revenue subject to the jurisdiction of the Commission.

"Utility," unless the context indicates differently, shall include telecommunications carrier.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

Section 285.120 Applicability

- a) The Standard Filing Requirements are applicable to all electric, gas, telecommunications carriers, water and sewer utilities under the jurisdiction of the Commission. Three categories of utilities are established for reporting requirements: Large, \$50,000,000 or more of gross annual jurisdictional revenue; Medium, \$5,000,000 or more but less than \$50,000,000 of said revenue and Small, less than \$5,000,000 of said revenue. Provisions applicable exclusively to Large utilities are marked with an "(L)". Provisions without such marking are applicable to both Large and Medium utilities. Section 285.130(b) applies to Small utilities.
- b) The Standard Filing Requirement schedules are generally applicable to all types of utilities; however, certain unique aspects of a utility's business may require some schedules to be tailored to a specific type of utility. Schedules which are unique to a specific type of utility are identified in the instructions at the beginning of each Exhibit.
- c) The Standard Filing Requirements are not applicable to telecommunications carriers' filings for competitive telecommunications service or for reclassifying a previously noncompetitive telecommunications service to competitive telecommunications service. Such filings are to be made, where applicable, in accordance with provisions of Sections 13-103(d), 13-502, 13-505, and 13-506 of the Act (Ill. Rev. Stat. 1985, ch. 111 2/3, pars. 13-103(d), 13-502, 13-505, and 13-506).
- d) The Standard Filing Requirements are not applicable to telecommunications carriers which have no more than 15,000 subscriber access lines and when such carrier is also not a subsidiary of a holding company incorporated outside of Illinois. Such carrier's filing requirements are subject to the provisions of Section 13-504 of the Act (Ill. Rev. Stat. 1985, ch. 111 2/3, par. 13-504).
- e) Unless the context of the Law clearly renders such provisions inapplicable, the ratemaking provisions of Article IX of the Act (Ill. Rev. Stat. 1985, ch. 111 2/3, pars. 9-101 to 9-252) relating to public utilities and the Standard Filing Requirements are fully applicable.

Section 285.130 Minimum Requirements

- a) For Large and Medium utilities the Standard Filing Requirements contain the minimum information which a utility is required to submit at the time of its filing for an increase in base rates when such increase results in an increase in total jurisdictional annual revenue of 1.0% or more. The schedules contained in the filing requirements provide the basic information normally required to support a utility's filing. If the utility believes that additional information is necessary to support its case

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

or is proposing a position which requires a departure from the basic schedules (e.g., a special revenue adjustment proposal), the utility should supplement the Standard Filing Requirements as required to support its position. All such supplemental information shall be clearly marked as having been provided at the initiative of the utility. In addition, the Commission, pursuant to Section 5-101 of the Act may require utilities to supply information if more current information is available in addition to these requirements during the course of the Staff investigation of a specific case. The filing of any information will not preclude any party from exercising its right to receive a copy of the information, upon request. Submit 6 copies of the completed Standard Filing to the Commission.

- b) For Small utilities (except those utilities requesting a staff review, examination and evaluation of its books, records and operations prior to the filing of a general rate case pursuant to the notice requirements of 83 Ill. Adm. Code 255.20(f)) (See Section 9-201(a) of the Act) a utility is required to submit at the time of filing for an increase in base rates, when such increase results in an increase in the total jurisdictional annual revenue of 1.0% or more, its complete proposed direct case, testimony of its witnesses and exhibits to be presented in support of such increase. Small utilities may use the Standard Filing Requirements and associated forms as a guide to determine the type of information sought by the Commission, with the exception that Test Year selection and presentation shall be made pursuant to the definition of "Test Year" in Section 285.150.

Section 285.140 Waiver of Information Requirements

- a) Requests for waivers from the Standard Filing Requirements should be filed with the Commission at least 35 days prior to the filing of new tariffs for which the waiver would first be effective, if granted. The Commission shall list all waivers requested on the Report of Daily Filing. If the Commission or its delegate does not act within 28 days from the date of the request, the requested waiver will be deemed to have been granted. Waivers, either granting or a denial, will be acted on by the Manager of the Hearing Examiners Division or his appointed representative (Hearing Examiner) and will be in writing.
- b) A request for waiver of any of the provisions of the Standard Filing Requirements shall be in writing, verified, and must set forth the specific reasons in support of the request. The Commission shall grant the request for a waiver upon good cause shown by the utility. In determining whether good cause has been shown, the Commission shall consider, among other things:
- 1) whether other information, which the utility would provide if the waiver is granted, permits the Commission Staff to review the rate filing in a complete and timely manner;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- 2) the degree to which the information which is the subject of the waiver request is maintained by the utility in the ordinary course of business or available to it from the information which it maintains;
- 3) the expense to the utility in providing the information, which is the subject of the waiver request.

Section 285.145 Compliance

- a) Within 28 days after the date of filing the tariffs, the Manager of the Hearing Examiners Division or his appointed representative (Hearing Examiner) shall provide the utility a list in writing of any deficiencies in the filing and provide the utility 28 days from receipt of notice to file the additional information.
- b) If the utility fails to comply with this Part, after having been notified in writing, and fails to provide the Commission with the requested information, such failure could result in a citation or other enforcement pursuant to law for failure to comply with a Commission Order. In determining whether to take enforcement action, the Commission shall consider, among other things,
 - 1) the Commission's need for the information;
 - 2) the difficulty to the utility of providing the information; and
 - 3) whether the utility has denied access to requested information in the past.

Section 285.150 Test Year

- a) Test Year - A utility, at its option, may propose any one of the following twelve-month periods as its proposed Test Year:
 - 1) Historical
 - A) Either the latest 12-month period for which actual data are available at the time of filing new tariffs; or
 - B) The latest calendar or fiscal year for which actual data are available at the time of filing new tariffs.
 - 2) Current. Any consecutive 12-month period ending not later than 12 months after the date new tariffs are filed. A utility selecting a Current Test Year shall also file, where required by this Part, data for the 12-month period immediately preceding the Current Test Year selected, which period shall be the "historical period" for the utility. A utility which selects a current year, which, with an update, results in a completely historical and actual year, will not be required to comply with the requirements of subsection (b).
 - 3) Future. Any consecutive 12-month period ending no later than 24 months after the date new tariffs are filed. A utility selecting a Future Test Year shall file, where required by this Part, data for the 12 consecutive months immediately

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

preceding the Future Test Year, which period shall be the "current period" for the utility.

- b) A utility selecting a Current or Future Test Year must present the following information:
- 1) A comparison of forecast period data to historical period data to demonstrate the reliability and accuracy of the utility's forecast including a comparison of prior years' forecast or budgeted data to actual data for those periods.
 - 2) A statement from an independent certified public accountant that there is compliance in the preparation and presentation of the applicable schedules with the Guide for Prospective Financial Statements (copyright 1986) by the American Institute of Certified Public Accountants. No later amendment or edition is included by this incorporation.
 - 3) A statement that its forecast is reasonable, reliable, and was made in good faith and that all basic assumptions used in making or supporting the forecast are reasonable, evaluated, identified, and justified to allow the Commission Staff to test the appropriateness of the forecast. In evaluating the appropriateness, the Commission staff will consider:
 - A) Whether sources of information about the assumptions have been considered. Examples of external sources that might be considered are government publications, industry publications, economic forecasts, existing or proposed legislation, and reports of changing technology. Examples of internal sources are budgets, labor agreements, patents, royalty agreements, engineering studies, historical financial statements and records, sales backlog records, debt agreements, and board of directors actions involving entity plans;
 - B) Whether the assumptions are consistent with the sources from which they are derived;
 - C) Whether the assumptions are consistent with each other;
 - D) Whether the assumptions are internally consistent;
 - E) Whether the historical financial information and other data used in developing the assumptions are reliable for that purpose. Reliability can be assessed by inquiry or by analytical or other procedures, some of which may have been completed in past examinations or reviews of the historical financial statements;
 - F) Whether the historical financial information and other data used in developing the assumptions are comparable over the periods specified or whether the effects of any lack of comparability were considered in developing the assumptions;
 - G) Whether the argument or theory, is supported by assumptions;
 - H) Whether the forecast reflects the identified assumptions;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- I) Whether the computations made to translate the assumptions into forecasted amounts are mathematically accurate; and
 - J) Whether the accounting principles used in the forecast are consistent with the accounting principles expected to be used in the historical financial statements covering the forecast period(s), and those used in the most recent historical financial statements, if any.
- 4) A statement that the forecast contains the same assumptions and methodologies as used in the forecast prepared for management or other entities, such as the Securities Exchange Commission or the financial community; if different, then why they are different; and
 - 5) A statement that the accounting treatment which has been applied to anticipated events and transactions in the forecast is the same as the accounting treatment to be applied in recording the events once they have occurred.
- c) Each utility which selects a Current or Future Test Year shall, if requested by the Commission Staff, prepare for the Staff forecasts using alternative assumptions. Such requests will be made when the Commission Staff has reason to believe that alternative assumptions have equal or greater validity.
 - d) Updates. During the suspension period, the utility may be permitted or required to update its filing for significant and material changes in accordance with the schedule established in the proceeding as actual data becomes available. The Commission shall require a utility to update its filing when evidence has been introduced that a significant and material change has occurred. In establishing this schedule, the timing and scope of updated filings and the advisability of requiring that any updated filing be accompanied by an opinion from an independent certified public accountant and other information described in subsection (b) shall be considered. Except for good cause shown, a utility shall not be permitted to submit more than one updated filing, or to submit an updated filing during the final 150 days of the resuspension period. A determination of whether good cause has been shown shall include, but not be limited to, the consideration of whether the impact on revenue requirement is potentially significant, whether the changes could reasonably be reflected in an earlier updated filing, and whether the Commission staff and other participants will have an adequate opportunity to review the filing. Examples of significant and material changes would include, but not be limited to, a general economic upturn or downturn which was not in the forecast, unexpected changes in revenue requirements, and unexpected additions or losses of customers served. Whenever the utility updates projected data in its selected Test Year, a reconciliation of original and updated filings shall be provided by the utility, which shall identify and support in its testimony and exhibits the change from any projections in its original filing.
 - e) Adjustments. A utility may propose pro forma adjustments (estimated or calculated adjustments made in the same context and format that the affected information was

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

provided) to the selected Historical or Current Test year for all known and measurable changes in the operating results of the Test Year. These adjustments shall reflect significant changes (changes affecting the ratepayers) in plant investment, operating revenues, expenses and capital structure where such changes occurred during the selected Historical or Current Test Year or are reasonably certain to occur subsequent to the selected Test Year within 12 months from the filing date of the tariffs and the amount of the changes are determinable. Attrition or inflation factors shall not substitute for a particularized study of individual capital, revenue and expense components. Any proposed known and measurable adjustment to the Test Year shall be individually identified and supported in the direct testimony of the utility. Each adjustment shall be submitted in accordance with the Standard Filing Requirements' Schedules.

Section 285.160 Submission of Written Testimony

Utilities shall, at the time of filing of tariffs for a base rate increase, file the prepared direct testimony and exhibits of utility personnel and any expert witnesses in support of the utility's proposals. Prepared direct testimony shall be in compliance with the Commission's Rules of Practice (83 Ill. Adm. Code 200). Submission of direct testimony shall not preclude submission of supplemental direct testimony with good cause shown. In determining whether good cause has been shown, the Commission shall consider, among other things, the degree to which the information which is the subject of the supplemental direct testimony was not known to the utility at the time direct testimony was filed, and the degree to which facts have changed due to circumstances beyond the control of the utility.

Section 285.170 Schedules

- a) A utility is not precluded from designing its own schedule, provided such schedule conveys the information required by the Standard Filing Requirements. All schedules submitted to the Commission shall be typed. Additional schedules shall be submitted as required to support the utility's filing; such schedules shall be identified by the next unassigned schedule number in the appropriate section.
- b) Applicable Data
 - 1) Jurisdictional data shall be shown on the schedules unless total company data are expressly requested or are otherwise appropriate. A telecommunications carrier, at its option, may provide data on a total company basis (i.e., interstate or intrastate) or on an intrastate basis only. In the event the telecommunications carrier provides data on an intrastate basis, the determination of such data shall be in accordance with 47 CFR 36, "Standard Procedures for Separating Telecommunications Property Costs, Revenues,

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

Expenses, Taxes and Reserves" (as of September 1, 1987) This incorporation does not include any later amendment or edition.

- 2) If an historical Test Year is selected, data need only be supplied for the historical year. If a Current Test Year is selected, unless otherwise specified, data must be provided for both the historical and current years. If a Future Test Year is selected, unless otherwise specified, data must be supplied for historical and current years as well as the Future Test Year. The utility may provide the data on one, two or three schedules, one for each year.

Section 285.180 Working Papers

- a) Working papers supporting schedules in the Standard Filing Requirements shall be available to the Commission Staff at the start of the Staff investigation. Working papers must be keyed to the appropriate Standard Filing Requirement schedules, must be indexed, and must contain the name of the person responsible for the working paper and the date prepared. Working papers should be cross-indexed wherever possible to minimize duplication of data. When assumptions are made in determining working paper schedule amounts, narrative or other support should be included so that the reasonableness of the work paper can be reviewed. The Commission will use its expertise in engineering, accounting, and economics in determining whether the work papers are reasonable.
- b) The referencing system shown in Illustration A shall be used for all working papers: A maximum of a six position code shall be used; when positions 5 and 6 are not required, they shall be left blank.

SUBPART B: SUPPLEMENTAL FILING REQUIREMENTS (L)

Section 285.205 Information to be Included

The information in this subpart shall be included as part of the filing.

Section 285.210 Material to be Filed

- a) Capital expenditures
 - 1) Most recent 5-year capital expenditures budget (3-year budget for telephone, water, sewer and gas rate filings) to be identified as Schedule S-1. Telecommunications carriers are not to include facility's costs in excess of the marginal costs supporting the competitive tariff filing when such facility is utilized solely to provide competitive services. Construction projects which are entirely for the benefit of nonregulated services are also not to be included.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

The utility shall provide the following information for each major construction project which constitutes 5 percent of the annual construction budget of the service for which the rate relief is requested:

- A) date project started;
 - B) estimated completion date;
 - C) total estimated cost of construction by year exclusive and inclusive of Allowance for Funds Used During Construction (AFUDC) or interest during construction credit (IDC);
 - D) most recent available total costs incurred exclusive and inclusive of AFUDC or IDC.
- 2) For all other construction projects, the utility shall submit an aggregate of information requested in subsections (C) and (D) above and show the most recently available totals by year.
- b) Financial forecast
- 1) A 5-year financial forecast (including a Current or Future Test Year) to be identified as Schedule S-2, providing for each forecast year:
 - A) operating income statement (both with and without nonregulated service revenue);
 - B) balance sheet;
 - C) statement of changes in financial position (source and application of funds statement, both with and without nonregulated service effects).
 - 2) The financial forecast should be supported by the underlying assumptions made in projecting the results of operations, such as:
 - A) load forecasts (electric);
 - B) subscriber and access line growth (telecommunications carriers, excluding nonregulated services);
 - C) mix of generation (electric);
 - D) mix of gas supply (gas);
 - E) employee growth (excluding that entirely due to nonregulated operations);
 - F) known labor cost changes (excluding that entirely due to nonregulated operations);
 - G) external financing requirements (See Section 9-230 of the Act);
 - H) other (please detail).
 - 3) If the utility does not release financial forecasts to any outside party, it may elect to provide, in lieu of Schedule S-2, a 5-year projection of revenue requirements necessary to support the requested rate of return (to be identified as Schedule S-2.1). This projection of revenue requirements shall be in the form of an income statement and shall be supported by an explanation of the assumptions made in projecting the revenue requirements, such as:

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- A) load forecasts (electric);
 - B) subscriber and access line growth (telecommunications carriers, excluding that due entirely to nonregulated services);
 - C) mix of generation (electric);
 - D) mix of fuel (gas);
 - E) employee growth (excluding that due entirely to nonregulated services);
 - F) known labor cost changes (excluding that due entirely to nonregulated services);
 - G) external financing requirements (See Section 9-230 of the Act);
 - H) rate base (excluding effects due entirely to nonregulated operations) Telecommunications carriers see Schedule B-1, subsection (b);
 - I) other (please detail).
- 4) The projection of revenue requirements shall be accompanied by the following balance sheet items for each forecast year (to be identified as Schedule S-2.2):
- A) gross plant in service (excluding that entirely dedicated to nonregulated operations);
 - B) accumulated depreciation (excluding that entirely dedicated to nonregulated operations);
 - C) construction work in progress (excluding that entirely dedicated to nonregulated operations);
 - D) long-term debt (excluding that entirely dedicated to nonregulated operations);
 - E) preferred stock;
 - F) common equity;
 - G) deferred income taxes (excluding that entirely due to nonregulated operations);
 - H) unamortized deferred investment tax credits (excluding that entirely dedicated to nonregulated operations);
 - I) other (please detail, excluding that entirely due to nonregulated operations).
- 5) In addition, the following elements of a statement of changes in financial position (source and application of funds) shall be provided and shall exclude that which is due entirely to nonregulated operations (to be identified as Schedule S-2.3):
- A) change in cash balances;
 - B) retained earnings;
 - C) depreciation accruals;
 - D) external funding (long-term debt, preferred stock, common equity);
 - E) deferred income taxes;
 - F) unamortized deferred investment tax credit.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- 6) Three copies of the following information shall be delivered to the Staff at the time of the filing:
 - A) the most recent federal regulatory agency's (Federal Energy Regulatory Commission (FERC), Federal Communications Commission (FCC)) audit report;
 - B) prospectuses of most recent stock and/or bond offerings and future offerings as they become available;
 - C) most recent federal regulatory agency report (FERC Form 1, Form 2, FCC Form M);
 - D) annual report to shareholders and statistical supplements covering the most recent five years;
 - E) most recent annual report to the Commission.

SUBPART C: SUPPLEMENTAL INFORMATION

Section 285.310 Information to be Made Available

The following information shall be made available to the Commission Staff at the utility's headquarters at the start of the Staff investigation:

- a) current organization chart;
- b) chart of accounts;
- c) the past twelve (12) months plus the current months as they become available of the monthly managerial reports providing financial results of operations and comparison to forecast;
- d) most recently filed federal and state income tax returns;
- e) Securities and Exchange Commission (SEC) Annual Report for the most recent two years;
- f) independent auditor's annual opinion report, together with any written communication from the independent auditor to the company which indicates the existence of any material weakness in the company's internal controls;
- g) quarterly reports to stockholders for the most recent five quarters;
- h) summary of the latest depreciation study;
- i) working papers referenced on schedules in the Standard Filing Requirements, as specified in Section 285.180.

SUBPART D: PRODUCTIVITY DATA AND COMPONENT EFFICIENCY MEASURES (L)

Section 285.405 Information to be Made Available

The information described in Sections 285.410 and 285.420, in the format ordinarily maintained,

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

shall be made available to the Commission Staff at the utility's headquarters at the start of the Staff investigation. Information already submitted as part of the Standard Filing Requirements need not be duplicated here. The information provided shall be for five (5) historical years and the forecast years, if the utility has selected either a current or a future Test Year.

Section 285.410 Productivity Data

For the information below, the following codes apply - (T = Telecommunications Carriers, G = Gas, E = Electric):

- a) Net Generation (E);
- b) Kwh Sales by Customer Class (E);
- c) Purchased Power - Expenditures and Kwh (E);
- d) Interchange Power Received and Delivered - Kwh and net dollar exchange (E);
- e) Cost of Capital - Weighted Average Cost of Debt, Preferred Stock, and Common Equity (T, G, E) (See Section 9-230 of the Act);
- f) Depreciation Expense (T, G, E);
- g) Plant in Service - Book Value (excluding nonregulated plant in service) (T, G, E);
- h) Total Production Plant (E, G);
- i) Net Change of Plant in Service (excluding nonregulated plant in service) (T, G, E - Generation, Transmission and Distribution);
- j) Number of Full-time and Part-time Employees (excluding those entirely in nonregulated operations) (T, G, E);
- k) Wages and Salaries (excluding those entirely in non-regulated operations) (T, G, E);
- l) Pensions and Fringe Benefits (excluding those entirely in nonregulated operations) (T, G, E);
- m) Payroll Taxes (excluding those entirely in nonregulated operations) (T, G, E);
- n) Total Labor Expenditures (= (k) + (l) + (m)) (T, G, E);
- o) Total Production Expense (excluding those expenses attributable entirely to nonregulated operations) (E, G);
- p) Steam Transfer Credits (E);
- q) Load Factor and Capacity Utilization (E);
- r) Fuel Expense (G - Purchased Natural Gas, liquefied Petroleum Gas, Other; E -- Fossil, Nuclear, Other);
- s) Average Fuel Cost (Per million Btu) (G - Purchased Natural Gas, liquefied Petroleum Gas, Other; E - Fossil, Nuclear, Other);
- t) Fuel Usage (million Btu) (G - Purchased Natural Gas, liquefied Petroleum Gas, Other; E - Fossil, Nuclear, Other);
- u) Therm Sales by Customer Class or Rate Classification (G);
- v) Total Storage Plant (G);
- w) Total Transmission Plant (G, E);

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- x) Total Distribution Plant (G, E);
- y) General Plant (excluding plant entirely devoted to non-regulated operations) (G, E);
- z) Sales Expense (G, E), Marketing, Product Management and Sales Expenses (excluding nonregulated expenses) (T);
- aa) Advertising Expense (T, G, E);
- bb) Telephone Plant Index (T);
- cc) (L) Operating Rents (T);
- dd) Operation and Maintenance Expenses (G, E) Plant Specific Operations Expense (excluding nonregulated operations) (T);
- ee) Number of Access Lines - Main, Centrex, Private Branch Exchange (PBX) (T);
- ff) Plant Nonspecific Operation Expense (excluding nonregulated expenses) (T);
- gg) Materials and Supplies Expense (G, E) Supply expense (excluding nonregulated expenses) (T);
- hh) Local Service Revenues (excluding nonregulated revenues) (T);
- ii) Toll Revenues (excluding nonregulated revenues) (T);
- jj) Miscellaneous Revenues (excluding nonregulated revenues) (T);
- kk) Customer Operations Expense (excluding nonregulated expenses) (T).

Section 285.420 Component Efficiency Measures

For the information listed below the codes listed in Section 285.410 apply.

- a) Customer Accounts Expense Per Customer (G, E) Customer Operations Expense Per Customer (T);
- b) Sales Expense Per Customer (G, E) Marketing, Product Management and Sales Expenses Per Customer (T);
- c) Advertising Costs Per Customer (T, G, E);
- d) Labor Productivity:
 - 1) Net Generation/Number of full-time equivalent employees (Generation) (E);
 - 2) Kwh Sales Sold/Number of full-time equivalent employees (E);
 - 3) Therms Sold/Number of full-time equivalent employees (G);
 - 4) Number of Access Lines which are defined for this purpose as all individual business and residence lines, key trunk lines, PBX trunk lines, and Centrex main line with separate numbers/Number of full-time equivalent employees (excluding those entirely employed in nonregulated operations) (T);
- e) Total Labor Expense Per Kwh Sold (E);
- f) Total Labor Expense Per Therm Sold (G);
- g) Total Labor Expense Per Access Line (See subsection (d)(4)) (T);
- h) Fuel Usage Per Kwh Generated (E);
- i) Purchased Gas Usage Per Therm Sold (G);
- j) Fuel Expense Per Kwh Generated (E);

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- k) Fuel Expense Per Therm Sold (G);
- l) Total Operation and Maintenance Production Expense Per Kwh Generated (E);
- m) Total Operation and Maintenance Production Expense Per Therm Sold (G);
- n) Administrative and General Expense Per Customer (G, E) Corporate Operations Expenses (T);
- o) Total Operation and Maintenance Transmission Expense Per Kwh Sold (E);
- p) Total Operation and Maintenance Transmission Expense Per Therm Sold (G);
- q) Total Operation and Maintenance Distribution Expense Per Kwh Sold (E);
- r) Total Operation and Maintenance Distribution Expense Per Therm Sold (G);
- s) Total Pole Lines (Circuit Miles) Per Kwh Sold (E);
- t) Total Tower Lines (Circuit Miles) Per Kwh Sold (E);
- u) Revenue Per Kwh Sold (E);
- v) Revenue Per Therm Sold (G);
- w) Revenue Per Access Lines (T);
- x) Earned Salaries and Wages (excluding those entirely employed in nonregulated operations) Per Access Line (See subsection (d)(4)) (T);
- y) Total Plant Nonspecific Operations Expense (excluding nonregulated operating expense) Per Access Line (See subsection (d)(4)) (T);
- z) Customer Operations Expense (excluding nonregulated operating expense) Per Access Line (See subsection (d)(4)) (T);
- aa) Plant Nonspecific Operations Expense (excluding nonregulated operating expense) Per Access Line (See subsection (d)(4)) (T);
- bb) Equivalent Availability by Unit (E);
- cc) Capacity Factor by Unit (E).

SUBPART E: PROPRIETARY AND CONFIDENTIAL INFORMATION

Section 285.510 Proprietary and Confidential Information

Any data, information or studies which are confidential, proprietary or trade secret in nature shall be so marked by the utility. The utility shall separate from its filing that information which is so marked as confidential, proprietary or trade secret in nature from the material which is to be made public.

SUBPART F: REVENUE AND FINANCIAL SUMMARIES

Section 285.1000 Revenue and Financial Summaries

Subpart F includes 3 schedules. Schedules A-1 and A-2 are to summarize the revenue by rate classification or revenue classification. Information to be reported is taken from the Subpart J

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

schedules or the books and records of the utility. Schedule A-3 reports the calculated increase in revenue requirements for the Test Year for jurisdictional revenues.

Section 285.1005 Schedule A-1 Comparison of Present and Proposed Rates Jurisdictional Pro Forma (Non-Telecommunications Carriers)

Schedule A-1 is to be used by non-telecommunications carriers. Data shall be provided by effective rate classification and shall show for the Test year only the average number of customers, number of units sold, revenue at present rates, revenue at proposed rates, difference in revenue and percent change. If the Test Year is other than the historical year, then the schedule shall also show the average number of customers, units sold and revenue for the historical year.

Section 285.1010 Schedule A-2 Comparison of Present and Proposed Rates (Telecommunications Carriers)

Schedule A-2 is to be used by telecommunications carriers. Data to be reported cover:

- a) each accounting revenue classification segregated as to competitive and noncompetitive services (excluding nonregulated service revenues); and
- b) historical revenues, revenue at present and proposed rates, difference in revenues in dollars and percentage change for Test Year segregated as to competitive, which services may be aggregated, and noncompetitive services (excluding nonregulated service revenues).

Section 285.1015 Schedule A-3 Overall Financial Summary

- a) Schedule A-3 includes for the Test Year the elements of rate base and reports the increase in revenue requirements requested by the utility.
- b) Data to be reported cover:
 - 1) fair value rate base (optional);
 - 2) original cost rate base;
 - 3) current value;
 - 4) operating income;
 - 5) earned or projected rate of return for fair value, when fair value rate base presentation is used, and original cost rate base;
 - 6) cost of capital;
 - 7) proposed operating income;
 - 8) income deficiency;
 - 9) gross revenue conversion factor (before add-on charges for revenue taxes);
 - 10) revenue increase requested;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- 11) revenue increase including add-on revenue taxes.

SUBPART G: RATE BASE

Section 285.2000 Rate Base Instructions

- a) Property classification. The schedules included in Subpart G are designed to be applicable to more than one type of utility. All utilities, as applicable, must comply with the Uniform System of Accounts approved by the Commission as 83 Ill. Adm. Code 505, 415, 605, 650, and 710.
- b) Jurisdictional allocation. Except for telecommunications carriers, a utility need not make any non-jurisdictional allocations where total utility non-jurisdictional revenues for which rate relief is requested for the type of service are equal to, or less than, 5% of total company utility revenues.

Section 285.2005 Schedule B-1 Jurisdictional Rate Base Summary

- a) Summary rate base information shall be presented in Schedule B-1. The information requested on Schedule B-1 is supported by the schedules which follow, i.e., Plant in Service information is supported by Schedule B-2; Depreciation Reserve is supported by Schedule B-3; Construction Work in Progress is supported by Schedule B-4; Allowance for Working Capital is supported by Schedule B-5. Jurisdictional Allocation Factors are supported by Schedule B-6, and Historical Rate Base data is supported by Schedule B-7. Fair Value (optional) is supported by Schedules B-8 to B-8.4.
- b) Data to be covered includes:
 - 1) Gross utility plan in service at original cost (see Section 285.210(a)(1));
 - 2) Reserve for accumulated depreciation;
 - 3) Net utility plant in service ((1) - (2)); (Please note that in this Part, the numbers in these equations refer to the items corresponding to those numbers in the list of data to be covered in the schedule in which they appear)
 - 4) Working capital allowance;
 - 5) Construction work in progress included in rate base;
 - 6) Contribution in aid of construction;
 - 7) Other items (specify), customer advances, advanced billings, deferred income tax;
 - 8) Jurisdictional rate base (original cost) (3+4+5-6-7);
 - 9) Adjustment for fair value (optional) at original cost (in dollars), and weight (in percentage);
 - 10) Fair value rate base (optional).

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- c) Other items shall be supported by schedules of the company's own design (schedules shall contain a description of items, dollars involved by account, and reasons for additions or deletions to the rate base).
- d) For telecommunications carriers only, each existing and proposed competitive service for the test-year shall be supported by an estimate of long run marginal cost in detail sufficient to observe any potential subsidy of competitive service by noncompetitive service. The subsidy is said to exist if the proposed test year revenue requirement includes any amount by which the long run marginal costs for all competitive services in total exceeds the revenues designed to be collected from all competitive service together. Assumptions of usage levels and usage type that justify the estimate of long run marginal cost of each and all competitive service shall reflect a full reconciliation of all portions of commonly shared assets between competitive and noncompetitive service, such that the used and useful portion of assets for noncompetitive service can be determined. A long run marginal cost study (defined in 83 Ill. Adm. Code 745.200) is to be submitted to support competitive services provided on a regulated basis except:
 - 1) competitive services for which a long run marginal cost study had been submitted to the Commission within six months of the current filing, or
 - 2) competitive services for which the supporting marginal cost study projected marginal costs over a time period which encompasses the current filing and, based on a review of the assumptions underlying the study, the telecommunications carrier states that there have been no changes in these assumptions sufficient to cause the costs to increase by more than 10% or to cause the cost to exceed the revenues designed to be collected from such services. Facilities used to provide nonregulated services are to be excluded in the formulation of regulated revenue requirements in accordance with 83 Ill. Adm. Code 711 or 712 as may be applicable.

Section 285.2010 Schedule B-2 Plant in Service by Major Property Grouping or Major Account (Original Cost)

- a) Provide in Schedule B-2 a breakdown of the dollars of Plant in Service by each major property grouping, functional class or account number. Telecommunications carriers see subsection (b) under Schedule B-1.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Account number (if applicable);
 - 3) account description or property grouping (whichever is applicable);
 - 4) Total company;
 - 5) Less: nonregulated facilities

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- 6) Less: competitive service facilities (Telecommunications carriers, see subsection (b) and (c) under Schedule B-1.)
- 7) Allocated percentage;
- 8) Allocated total;
- 9) Adjustment amount;
- 10) Adjusted jurisdictional amount.

Section 285.2015 Schedule B-2.1 Proposed Adjustments to Plant in Service (Original Cost)

- a) For the Test Year, provide each adjustment made to Plant in Service on Schedule B-2 and fully explain in Schedule B-2.1. Telecommunications carriers see subsection (b) under Schedule B-1.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Account number (if applicable);
 - 3) Account or major property group description;
 - 4) Amount by total company;
 - 5) Adjustment;
 - 6) Description and purpose of adjustment.

Section 285.2020 Schedule B-2.2 Gross Additions, Retirements and Transfers (Original Cost)

For the Test Year, provide for each major functional plant property group or account, the plant beginning and ending balances, gross additions, retirements and transfers for the company occurring in the Test Year. If, in a particular account, transfers are a normal course of events, only a general description (under the column "Explanation of Transfer") of the nature of the transfers is required. Telecommunications carriers see subsection (b) under Schedule B-1.

Section 285.2025 Schedule B-2.3 Property Merged or Acquired from Other Utilities

- a) Provide a list of all plant property over \$100,000 either merged or acquired from other utilities in the last 3 years. Explain how the property was entered into plant property records (e.g., entered as original cost, purchase price in year of purchase, original cost less accrued book depreciation in year of purchase, etc.). Also describe the accounting treatment of any acquisition adjustments. Telecommunications carriers see subsection (b) under Schedule B-1.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Account number, group or function;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- 3) Description of property;
- 4) Acquisition cost;
- 5) Cost basis;
- 6) Acquisition adjustment;
- 7) Commission approval date (Docket number);
- 8) Date of acquisition;
- 9) Explanation of property accounting treatment.

Section 285.2030 Schedule B-2.4 Leased Property Included in Rate Base

- a) Provide a list of all properties leased to the utility, as lessee, and improvements to leased properties, together with annual lease payments. Data covered includes all properties leased with lease payments over \$100,000 which are capitalized. Telecommunications carriers see subsection (b) under Schedule B-1.
- b) Data to be covered include:
 - 1) Identification or reference number;
 - 2) Description of type and use of property;
 - 3) Name of lessor;
 - 4) Frequency of payments;
 - 5) Amount of lease payment;
 - 6) Dollar value (or estimate) of property involved.

Section 285.2035 Schedule B-2.5 Property Held for Future Use Included in Rate Base

- a) Prepare a list of all property held for future use included in rate base. Plant held for future use shall not be included in any Plant in Service amounts on Schedules B-1, B-2, and B-2.1. Telecommunications carriers see subsection (b) under Schedule B-1.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Description and location of property;
 - 3) Date of acquisition;
 - 4) Original cost;
 - 5) Accumulated depreciation;
 - 6) Net original cost ((4) - (5)).
- c) For Revenue realized, include:
 - 1) Amount;
 - 2) Account number;
 - 3) Description.
- d) For Expenses incurred, include:
 - 1) Amount;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- 2) Account number;
- 3) Description.
- e) Also include expected in-service date and expected use of property. Only amounts exceeding \$100,000 need be separately listed. For items under \$100,000, aggregate in one line.

Section 285.2040 Schedule B-2.6 Property Excluded from Rate Base

- a) For the service or area where rate relief is requested, provide a list of all utility-owned property associated with the service or area excluded from the rate base for reasons other than jurisdiction allocation. Telecommunications carriers see subsection (b) under Section B-1.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Account number, group or function;
 - 3) Description of property;
 - 4) Acquisition cost;
 - 5) Original cost;
 - 6) Accumulated depreciation;
 - 7) Depreciated original cost;
 - 8) Reasons for exclusion.
- c) Only items over \$100,000 need be separately listed. Items under \$100,000 may be aggregated in one line item. Construction Work in Progress should not be shown on this schedule.

Section 285.2045 Schedule B-3 Depreciation Reserve

- a) List depreciation reserve by major property grouping, functional class or account numbers. If depreciation reserves are not kept by major property groupings but are kept in total, only the totals should be given. In the case of electric utilities, this reserve shall be adjusted as required to take account of depreciation expense computed in accordance with Section 285.3005(c) of this Part. In the case of water and/or sewer companies, only totals in Schedule B-3 are required. Telecommunications carriers see subsection (b) under Schedule B-1.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Functional class, major property group or account number;
 - 3) Total company;
 - 4) Allocated percentage;
 - 5) Allocated total;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- 6) Adjustment amount;
- 7) Adjusted jurisdictional amount.

Section 285.2050 Schedule B-3.1 Proposed Adjustments to Depreciation Reserve

- a) For the Test Year, provide the information indicated in Schedule B-3.1 for all proposed adjustments to depreciation reserve made in Schedule B-3. Telecommunications carriers see subsection (b) under Schedule B-1.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Adjustment title;
 - 3) Total company amount and allocated amount;
 - 4) Description and purposes of adjustment.

Section 285.2055 Schedule B-3.2 Depreciation Accrual Rates by Accounts, Functional Class or Major Property Group

- a) For the Test Year, the utility shall use whatever rate base data are selected. For accrual rates, whatever rate was or will be used in the annual report shall be used in this schedule. Telecommunications carriers see subsection (b) under Schedule B-1.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Account number (if applicable);
 - 3) Account description;
 - 4) Plant investment in jurisdiction;
 - 5) Current accrual rate in percentage;
 - 6) Calculated depreciation expense;
 - 7) Percentage net salvage;
 - 8) Average service life;
 - 9) Curve form.

Section 285.2060 Schedule B-4 Construction Work in Progress

- a) Construction Work in Progress ("CWIP") shall be consistent with the definition given in the Uniform System of Accounts. Identify any construction projects which exceed 5% of the total CWIP balance for the test year. Construction entirely devoted to nonregulated operations is not to be included. See Section 9-214 of the Act.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Project number;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- 3) Description of project;
- 4) Direct costs (construction dollars);
- 5) Indirect costs: AFUDC capitalized;
- 6) Indirect costs: other;
- 7) Total cost;
- 8) Allocation percentage;
- 9) Total jurisdictional cost;
- 10) Estimated percent completion.

Section 285.2065 Schedule B-4.1 (L) Construction Work in Progress Percent Complete

- a) Provide a list of construction projects in progress which are included in Schedule B-4. See Section 9-214 of the Act.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Project number;
 - 3) Description of project;
 - 4) Date project started;
 - 5) Most recent estimated project completion date;
 - 6) Original budget estimate;
 - 7) Most recent revised estimate;
 - 8) Accumulated construction costs;
 - 9) Percent complete (8) divided by (7) x 100).

Section 285.2070 Schedule B-5 Allowance for Working Capital

Provide a summary schedule showing the calculation of working capital for the period reported. Show each individual component (cash, materials and supplies, etc.) and describe the methodology used to calculate each component. If working capital calculation is not applicable, omit Schedule B-5. Working capital requirements for entirely nonregulated services and operations are not to be included.

Section 285.2075 Schedule B-5.1 Balance Sheet Analysis

Determine the average (thirteen months) balance for materials and supplies, gas stored underground, fuels, and accrued real estate taxes. Allocate the average balances to the jurisdiction using appropriate allocation factors. Material and supplies which are solely to be used for nonregulated services and operations are not to be included in the calculation of inventory for material and supplies.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

Section 285.2080 Schedule B-6 Jurisdictional Allocation Factors

- a) For the Test Year, identify by rate base account or component, the factor(s) used in allocating total utility property to the jurisdiction. The allocation factors used shall be based on the statistical measures shown in Schedule B-6.1. For example, if it were determined that the account "Structures and Improvements" should be allocated to the jurisdiction based on the ratio of jurisdictional sales to total sales, the appropriate jurisdictional sales allocation factor would be developed in Schedule B-6.1 and applied to the Structure and Improvements accounts on Schedule B-6.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Account number;
 - 3) Account description;
 - 4) Allocation factor;
 - 5) Description of factor and/or method of allocation.

Section 285.2085 Schedule B-6.1 Jurisdictional Allocation Statistics - Rate Base

- a) Provide for the Test Year the data used in determining the jurisdictional percentages for each allocation factor to be used on Schedule B-6.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Allocation factor;
 - 3) Statistic total company;
 - 4) Adjustment to total company statistic;
 - 5) Adjusted statistic for total company ((3) + (4));
 - 6) Statistic for service or area;
 - 7) Allocation factor ((6) divided by (5)).

Section 285.2090 Schedule B-6.2 Explanation of Changes in Allocation Procedures - Rate Base

This schedule shall be completed only if the allocation procedures described in the prior schedules are not consistent with the last Commission order for the company. For each account or component with a change, identify the allocation factor used in the prior order and the rationale for not using that factor in this application.

Section 285.2095 Schedule B-7 Comparative Balance Sheet for Most Recent Five Fiscal or Calendar Years

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

Provide for the total company summary balance sheet (net plant classified by major property grouping, if applicable) for the most recent five fiscal or calendar years and the Test Year.

Section 285.2100 Fair Value Rate Base

If a utility elects to submit only an original cost rate base, Schedules B-8, B-8.1, B-8.2, B-8.3 and B-8.4 need not be completed and waiver from the Commission on these schedules is not required. Data to be submitted need cover only the Test Year.

Section 285.2105 Schedule B-8 Jurisdictional Current Value Rate Base Summary

- a) Summary current value rate base information shall be presented in Schedule B-8. The information requested on Schedule B-8 is supported by the schedules which follow, i.e., Current Value Plant in Service information is supported by Schedules B-8.1 and B-8.2; Reserve for Accumulated Depreciation is supported by Schedules B-8.3 and B-8.4. Other items shall be supported by schedules of the utility's own design (schedules shall contain a description of items, dollars involved by account, and reason for additions or deletions to the current value rate base).
- b) Data to be covered include:
 - 1) Line number;
 - 2) Gross utility plant in service current value;
 - 3) Less reserve for accumulated depreciation;
 - 4) Net current value of utility plant in service ((2) - (3)).

Section 285.2110 Schedule B-8.1 Current Value Plant in Service by Major Property Grouping or Major Account

- a) Provide in Schedule B-8.1 a breakdown of the dollars of current value plant in service by each functional class, account number or major property grouping.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Account number (if applicable);
 - 3) Account description or property grouping (whichever is applicable);
 - 4) Total utility;
 - 5) Allocated percentage;
 - 6) Allocated total;
 - 7) Adjustment amount;
 - 8) Adjusted jurisdictional amount.

Section 285.2115 Schedule B-8.2 Proposed Adjustments to Current Value Plant in Service

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- a) Each adjustment made to current value plant in service on Schedule B-8.1 shall be explained in Schedule B-8.2.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Account number (if applicable);
 - 3) Account description or property grouping;
 - 4) Amount by total utility;
 - 5) Adjustment;
 - 6) Description and purpose of adjustment.

Section 285.2120 Schedule B-8.3 Current Value Depreciation Reserve

- a) List Test Year current value depreciation reserve by group, functional class or account number. Describe the method used to determine the appropriate depreciation reserve for each account.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Account number, group or function;
 - 3) Total company;
 - 4) Allocated percent;
 - 5) Allocated total;
 - 6) Adjustment amount;
 - 7) Adjusted jurisdiction;
 - 8) Method.

Section 285.2125 Schedule B-8.4 (L) Adjustments to Current Value Depreciation Reserve

- a) For all adjustments to current value depreciation reserve made in Schedule B-8.3, provide the information indicated in Schedule B-8.4.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Adjustment title;
 - 3) Total company amount and allocated amount;
 - 4) Description and purposes of adjustment.

SUBPART H: OPERATING INCOME

Section 285.3000 Operating Income Instructions

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- a) Account classifications. The schedules included in Subpart H do not prescribe specific account classifications in order that the schedules may be applicable to more than one type of utility. Nonregulated income is not to be included in schedules.
- b) Jurisdictional allocation. Except for telecommunications carriers, a utility need not make any non-jurisdictional allocations where total utility non-jurisdictional revenues for which rate relief is requested for the type of service are equal to, or less than, 5% of total company utility revenues.

Section 285.3005 Schedule C-1 Jurisdictional Operating Income Summary

- a) For the Test Year, provide the jurisdictional operating income statement by major category (sources of income by grouping of types of service) for the jurisdiction for which a rate increase is requested, both at the present rates and at the proposed rates.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Description (operating revenue, operating expenses, operation & maintenance, depreciation, taxes, federal income taxes, state income taxes, total operating expenses, income available from jurisdictional operations, rate base, rate of return);
 - 3) Present rates;
 - 4) Test Year proposed increase;
 - 5) Test Year proposed rates;
 - 6) Historical year at present and proposed rates.
- c) In the case of electric utilities, the test year data for depreciation expense and the nuclear generating plant decommissioning expense component of operation and maintenance expense should be based on a useful life for utility plant that begins in each case on the date on which the cost of the item of plant is first reflected in electric service rates, provided that there is or is likely to be a period of three months or more, due to circumstances beyond the utility's control, between the in-service date of the item of plant and the date on which its cost is reflected in the utility's rates and provided that recording of depreciation or decommissioning expense before the date on which the plant's cost is reflected in rates could significantly and adversely affect the utility's earnings, as well as its short-term and long-term cost of capital. If actual financial data are available, such data shall be relevant and material evidence in determining whether the utility's financial position has been or could be adversely affected. Any recovery in a rate case of depreciation and decommissioning expense accrued between the in-service date of utility plant and the date on which the plant's cost is reflected in rates shall be limited to the net loss the utility suffers due to the failure to synchronize those dates, as required by the Illinois Supreme Court in *Business and Professional People for the Public Interest v. Illinois Commerce*

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

Commission, 146 Ill. 2d 175 (1991).

Section 285.3010 Schedule C-2 Detailed Jurisdictional Operating Income Statement

- a) Provide a detailed operating income statement by major account function (see uniform system of accounts for the utility) or group classification.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Major account function or group classification (excluding the effects of nonregulated operations);
 - 3) Description;
 - 4) Total company;
 - 5) Jurisdictional before adjustment;
 - 6) Composite allocation percentage;
 - 7) Adjustment;
 - 8) Jurisdictional amount adjusted.

Section 285.3015 Schedule C-3 Summary of Utility Proposed Adjustments

Summarize each adjustment to total operating income in Schedule C-3, showing for each adjustment the impact upon the elements of operating income. Each adjustment shall be referenced by title of adjustment to the appropriate supporting schedules.

Section 285.3020 Schedules C-3.1, 2, 3, etc. Detailed Adjustments

Provide for each proposed adjustment included on Schedule C-3 a separate schedule showing:

- a) The title of adjustment and reference to operating income, schedule C-2;
- b) Purpose and description of the adjustment;
- c) Reference to company supporting work paper;
- d) Summary calculations supporting the adjustment, by jurisdictional amount.

Section 285.3025 Schedule C-4 Reconciliation of Filed Operating Income and Expense

- a) Provide a detailed reconciliation of the effect of inflation between the General Ledger or the Base Forecast Operating Income and Expense Statement included in direct testimony and the Operating Income and Expense Statement included in the filing made pursuant to this Part. Provide a detailed reconciliation of the effect of inflation between the Operating Income and Expense Statement included in direct testimony and the Operating Income and Expense Statement included in any updated filings.
- b) Data to be covered include:

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- 1) Line number;
- 2) Major account function listed in the Operating Income and Expense Statement used in the original filing;
- 3) Description;
- 4) Filed operating income and expense amounts;
- 5) Adjustment for inflation identifying each inflation factor and the amount to which it was applied;
- 6) Utility proposed adjustments from Schedule C-3;
- 7) General ledger or base forecast (line (4) less lines (5) and (6)).

Section 285.3030 Schedule C-5 Summary of Jurisdictional Allocational Factors

For the Test Year, identify by operating income element the factor(s) used in allocating total utility operating revenues, expenses and income by account, function or group classification to the jurisdiction on Schedule C-5.

Section 285.3035 Schedule C-5.1 Allocation Statistics

- a) Provide for each allocation factor the statistics used in determining the jurisdictional percentages.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Allocation factors;
 - 3) Statistic for total company;
 - 4) Adjustment to total company statistic;
 - 5) Adjusted statistic for total company;
 - 6) Statistic for rate area;
 - 7) Allocation factor.

Section 285.3040 Schedule C-5.2 Explanation of Changes in Allocation Procedures

This schedule shall be completed only if the allocation procedures described in Schedule C-5.1 are not consistent with the last Commission order for the company. For each account, function or group classification with a change, identify the allocation factor used in the prior order and rationale for not using that factor in this application.

Section 285.3045 Account Analyses

For Current Test Years and Future Test Years, general categories may be listed and amounts aggregated if of a similar nature, but the aggregation must still retain reference to the

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

composition of the aggregation.

Section 285.3050 Schedule C-6 Income Tax

For the Test Year, provide a calculation of federal and state income tax expense, including a reconciliation of book to taxable income pursuant to the Commission's annual report forms for electric and gas utilities and telecommunication carriers which file Form 23 or Form 23A (Annual Report forms). If the taxes included in Test Year operating income were not calculated in a manner consistent with Schedule C-6, provide an additional schedule showing the methodology used.

Section 285.3055 Schedule C-6.1 Investment Tax and Job Development Credits

For the Test Year, provide in Schedule C-6.1 a schedule of additions to and amortization of unamortized investment tax credits and job development credits.

Section 285.3060 Schedule C-7 Social and Service Club Membership Dues

- a) Provide on Schedule C-7 a listing of the payee, the amount, the description, and the accounts charged for social and service club membership dues.
- b) Items under \$1,000 each may be provided in total.
- c) Non-claimed expenses may be listed in the aggregate.

Section 285.3061 Schedule C-8 Charitable Contributions

- a) Provide on Schedule C-8 a listing of the payee, the amount, the description, and the account(s) charged for charitable contributions.
- b) Items under \$1,000 each may be provided in total.
- c) Non-claimed expenses may be listed in the aggregate.

Section 285.3065 Schedule C-9 Demonstration and Selling, Advertising, and Miscellaneous Sales Expenses

Provide on Schedule C-9, in accordance with the Uniform System of Accounts for each telecommunications carrier with appropriate functions, the total amount, description, and accounts. For electric and gas utilities, provide information according to 83 Ill. Adm. Code 295 and Section 9-225 of the Act.

Section 285.3070 Schedule C-10 Civil, Political and Related Activities

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

List all expenditures made for political activity or lobbying regulated by the Lobbyist Registration Act (Ill. Rev. Stat. 1987, ch. 63, pars. 171 et seq.). See Section 9-224 of the Act.

Section 285.3075 Schedule C-11 Rate Case Expense

Provide on Schedule C-11 an analysis of rate case expenses and rate case amortization for the Test Year. The prior rate case used for comparison purposes shall be the most recent case. Any changes may be footnoted by the utility at its option.

Section 285.3080 Schedule C-12 Payroll Costs

Provide on Schedule C-12 the distribution for the total utility of the Test Year direct payroll costs by account classification, major property grouping, and functional classification.

Section 285.3081 Schedule C-12.1 Executive Compensation

- a) Provide executive compensation on Schedule C-12.1
- b) Information to be included:
 - 1) Total remuneration paid and accrued for the five highest paid officers whose total remuneration exceeds \$50,000 annually, and
 - 2) Amount of remuneration paid to all officers as a gross amount stating the number of officers whose remuneration is included in that amount.

Section 285.3085 Schedule C-12.1 Executive Compensation

- a) Provide executive compensation on Schedule C-12.1
- b) Information to be included:
 - 1) Total remuneration paid and accrued for the five highest paid officers whose total remuneration exceeds \$50,000 annually, and
 - 2) Amount of remuneration paid to all officers as a gross amount stating the number of officers whose remuneration is included in that amount.

Section 285.3090 Schedule C-13 Summary of Affiliated Interest Transactions

- a) List all affiliated interest transactions for historic and current test years. Also provide any known contracts for future years.
- b) The following information shall be disclosed:
 - 1) Date of transaction or transaction period;
 - 2) Company or individual;
 - 3) Nature of transaction(s);

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- 4) Dollar amount of transaction(s);
- 5) Commission Docket number of approval, if applicable.

Section 285.3095 Schedule C-14 Computation of Gross Revenue Conversion Factor

Provide a detailed calculation of the gross revenue conversion factor used in Schedule A-3. Calculation shall be based on actual applicable tax rates.

Section 285.3100 Schedule C-15 Comparative Income Statements for the Most Recent Five Fiscal or Calendar Years

- a) Provide comparative income statements for the most recent 5 fiscal or calendar years in Schedule C-15.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Description;
 - 3) Income for the most recent five fiscal or calendar years.

Section 285.3110 Schedule C-16.1 (L) Sales Statistics - Total Company Revenue (Electric and Gas)

- a) Provide total company revenues on Schedule C-16.1.
- b) Information provided shall be for the most recent 5 historical and 3 projected fiscal or calendar years.

Section 285.3115 Schedule C-16.2 (L) Sales Statistics - Total Company Sales Volume (Electric and Gas)

- a) Provide the total company sales volume on Schedule C-16.2.
- b) Information provided shall be for the most recent 5 historical and 3 projected fiscal or calendar years.

Section 285.3120 Schedule C-16.3 (L) Sales Statistics - Jurisdictional Revenue (Electric and Gas)

- a) Provide the revenues derived from sales subject to the jurisdiction of the Commission on Schedule C-16.3.
- b) Information provided shall be for the most recent 5 historical and 3 projected fiscal or calendar years.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

Section 285.3125 Schedule C-16.4 (L) Sales Statistics - Jurisdictional Sales Volume (Electric and Gas)

- a) Provide the volume of sales subject to the jurisdiction of the Commission on Schedule C-16.4.
- b) Information provided shall be for the most recent 5 historical and 3 projected fiscal or calendar years.

Section 285.3130 Schedule C-17 Long-Run Marginal Cost Study(ies) (Telecommunications)

Telecommunication carriers shall provide the total test year competitive service(s) revenues and the total test year long run marginal costs associated with the competitive service(s).

SUBPART I: RATE OF RETURN

Section 285.4000 Schedule D-1 Cost of Capital Summary

The company shall provide a weighted average cost of capital summary which shall include on a total company and jurisdictional basis a calculation of the weighted average cost of capital. The company may show any class of capital which is appropriate. For all classes shown, however, the amount, percentage of total, percentage cost, and weighted cost shall be provided. If the cost of capital shown on Schedule D-1 is not the same as that shown on Schedule A-3, line 6, provide an explanation of the difference. See Section 9-230 of the Act. Telecommunications carriers shall apply an over-all rate of return to the rate base which includes competitive and noncompetitive services. See subsection (d) under Schedule B-1.

Section 285.4001 Terms Used in Subpart I

"After-tax fixed charge coverage" - (Income available for fixed charges) divided by (interest charges plus preferred dividends).

"Book value per share" - Year-end common stock equity divided by number of common shares outstanding at year end.

"Indenture provision coverage" - Company shall provide this definition and also the minimum coverage required; if other restrictions are contained in indenture, (e.g., capitalization ratio test) list on separate page.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

"Mix of fuels" - By percentage of fuels, list major categories of fuels, (oil, gas, coal, nuclear, and propane).

"Mix of sales" - By percentage of sales, list major classes of customers.

"Percentage of construction financed internally" - (Net income less preferred dividends and common dividends plus depreciation plus deferred taxes and investment tax credits (net) less AFUDC, IDC) divided by (gross construction expenditures less AFUDC, IDC, reused material and leases).

"Pre-tax interest coverage" - (Income available for interest charges plus federal income tax expense) divided by (interest charges).

"Return on average common stock equity" - (Earnings available for common shares) divided by (average common stock equity).

"Return on average total capital" - (Income available for fixed charges) divided by (average total capitalization including short-term debt).

Section 285.4005 Schedule D-2 Cost of Short-Term Debt

- a) The cost of any short-term debt is to be provided on Schedule D-2.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Lenders;
 - 3) Amount outstanding;
 - 4) Interest rate;
 - 5) Interest requirement;
 - 6) Cost of short-term debt;
 - 7) Item (5) divided by (3), only if the utility proposes to include short-term debt in its capital structure.

Section 285.4010 Schedule D-3 Embedded Cost of Long-Term Debt, including Notes

- a) The embedded cost of any long-term debt, including any notes, is to be provided on Schedule D-3.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Debt issue type, coupon rate;
 - 3) Date issued (month, day, year);

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- 4) Maturity date (month, day, year);
- 5) Principal amount;
- 6) Face amount outstanding;
- 7) Unamortized discount or premium;
- 8) Unamortized debt expense;
- 9) Carrying value;
- 10) Annual amortization of discount or premium;
- 11) Annual interest expense;
- 12) Embedded cost of long-term debt.

Section 285.4015 Schedule D-4 Embedded Cost of Preferred Stock

- a) The embedded cost of any preferred stock is to be provided on Schedule D-4.
- b) Data to be covered include:
 - 1) Line number;
 - 2) Dividend rate, type par value;
 - 3) Date issued;
 - 4) Dollar amounts outstanding on par value;
 - 5) Premium or discount;
 - 6) Issue expense (dollar amount);
 - 7) Net proceeds;
 - 8) annual dividends (dollar amount);
 - 9) Embedded cost of preferred stock.

Section 285.4020 Schedule D-5 Comparative Financial Data

- a) Provide a comparison of financial data for the Test Year and the ten most recent calendar or fiscal years as illustrated in Schedule D-5, on a total company and jurisdictional basis.
- b) Data to be covered include:
 - 1) Plant Data:
 - A) original plant in service by functional classification (year end) (less depreciation);
 - B) Current value (less depreciation);
 - C) Construction work in progress by functional classification with AFUDC, IDC separately listed (year end);
 - D) Percentage of construction financed internally.
 - 2) Capital Structure: (Percent based upon year end accounts)
 - A) Short-term debt;
 - B) Long term debt;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- C) Preferred stock;
 - D) Common stock.
 - E) Investment Tax Credits.
- 3) Condensed Income Statement Data:
- A) Operating revenues;
 - B) Operating expenses (excluding Federal income tax);
 - C) Federal income tax (current);
 - D) Federal income tax and investment tax credits (deferred) (net);
 - E) Operating income;
 - F) AFUDC, IDC (See Section 9-214 of the Act);
 - G) Other income (net);
 - H) Interest charges;
 - I) Net income;
 - J) Preferred dividends;
 - K) Earnings available for common equity;
 - L) AFUDC, IDC - % of net income;
 - M) AFUDC, IDC - % of earnings available for common equity;
 - N) Return on net original cost rate base (year end) (If combination company, e.g., gas and electric, also show computation for each operation);
 - O) Return on net fair value rate base (year end), if available (If combination company, e.g., gas and electric, also show computation for each operation).
- 4) Costs of Capital:
- A) Cost of short-term debt;
 - B) Embedded cost of long-term debt;
 - C) Embedded cost of preferred stock.
- 5) Fixed Charge Coverage:
- A) Pre-tax interest coverage;
 - B) Pre-tax interest coverage (excluding AFUDC, IDC);
 - C) After-tax interest coverage;
 - D) After-tax interest coverage (excluding AFUDC, IDC);
 - E) Coverage for SEC filings;
 - F) Indenture provision coverage;
 - G) After-tax fixed charge coverage.
- (If combination company, e.g. gas and electric, also show computation for each operation for subsections (A) through (G) above.)
- 6) Stock and Bond Ratings:
- A) Moody's bond rating;
 - B) Standard and Poor's (S&P) bond rating;
 - C) Moody's preferred stock rating;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- D) S&P preferred stock rating.
- 7) Common Stock Related Data:
 - A) Shares outstanding (year end);
 - B) Shares outstanding - weighted average (monthly);
 - C) Earnings per share - weighted average;
 - D) Dividends paid per share;
 - E) Dividends declared per share;
 - F) Dividend payout ratio (declared basis);
 - G) Book value per share (year end).
- 8) Other Financial and Operating Data:
 - A) Mix of sales (gas and electric);
 - B) Mix of fuel (gas and electric);
 - C) Composite depreciation rates by plant category.

Section 285.4025 Statement of Cash Flows

Provide information as normally provided by the company concerning the source and application of funds in Schedule D-6.

SUBPART J: RATES AND TARIFFS

Section 285.5000 Schedule E-1 Copy of Proposed Tariff Schedules

Provide one copy of all current tariff schedules for which changes are proposed. Identify each page with "Schedule E-1, page of " in the upper right hand corner.

Section 285.5005 Schedule E-2 Scored Copy of Proposed Tariff Schedules

Provide one copy of all proposed tariff schedules which have all proposed changes underscored. Use an appropriate method for identification of changes, such as designating the deletion of words, phrases, sentences and paragraphs from current tariff schedules with an asterisk (*) at the location of the deletion. Designate in the margin the type of proposed change or deletion by using the following designations:

- a) (C) - to signify changed regulations;
- b) (I) - to signify increased rates;
- c) (N) - to signify new rate or regulation;
- d) (R) - to signify reduced rate;
- e) (T) - to signify a change in text, but no change in rate or regulation.

Section 285.5010 Schedule E-3 Narrative Rationale for Tariff Changes

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

Provide the rationale, on Schedule E-3, underlying the proposed changes to the tariff. Changes common to multiple rate forms need be discussed only once (e.g., minimum bill charges have been increased about 10% on all rates because. . .).

Provide a specific source of data or narrative supporting each rationale for change. The source of data need not be submitted with the filing but must be available to the Staff. If explanation is part of testimony, then it need not be duplicated in the schedules. Reference the appropriate current or proposed rate schedules to which the rationale is applicable. Use the proper schedule and page number.

Section 285.5015 Schedule E-4 Jurisdictional Operating Revenue

- a) The Revenue Summary portion of the Rates and Tariffs Standard Filing Requirements (Schedule E-4) varies by the type of utility and Test Year chosen by the utility. Three E-4 Schedules are included.
- b) One set is applicable to the electric and gas utilities, one set to the water and sewer utilities, and one set to telecommunication carriers.
- c) Schedule E-4 concerns only jurisdictional revenue.
- d) Schedule E-4 consists of three parts; Historical, Current, and Future.
 - 1) The Historical section (Section A) reports revenue for the selected historical year as shown by the books and records of the utility, pro forma at present rates and pro forma at proposed rates. Present rates are those rates in effect on the date of filing the proposed rates.
 - 2) The Current section (Section B) reports calculated revenue for present rates and proposed rates on pro forma sales. Pro forma sales are sales estimated to occur. Current year sales are annualized for changes that occurred during the historic year or are expected to occur in the current year.
 - 3) The Future section (Section C) reports projected revenue for current rates and proposed rates on the projected annual sales for the Future Test Year. Only utilities selecting a Future Test Year need to complete Section C.
- e) Schedule E-4. Electric and Gas Utilities
 - 1) "Revenue" is to be reported by rate classifications which make up the total revenue for each designated rate in combination with its accompanying rider(s) to the rate, if any.
 - 2) All rate schedules are to be reported, whether changed or not, so that total revenue from the tariff schedule will be reported. Components consist of:
 - A) basic rate charges,
 - B) purchased gas adjustment charges or fuel adjustment charges,
 - C) add-on tax charges to recover governmental tax assessments on gross revenue, except municipal tax (unless it applies uniformly to the whole

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- service area), and
- D) any other add-on charges not covered otherwise, all as in effect at the date of filing.
- 3) Do not include "forfeited discounts".
- 4) Municipal tax should be included in "Other" unless it applies to the utility's total service area. A footnote should indicate where in municipal tax revenue is reported.
- 5) "Average Number of Customers" is the total number of bills in the Test Year divided by the number of billing periods.
- f) Schedule E-4. Water and Sewer Utilities
Water and sewer utilities shall follow the instructions set forth in subsection (e) to the extent that the instructions are appropriate.
- g) Schedule E-4. Telecommunications Carriers
- 1) Rate elements proposed to be changed. Schedule E-4 for telecommunications carriers provides for the reporting of revenue and sales data by category and on a per rate element within the category. Provide the tariff sheet number reference for each rate element that is being changed by the proposed rate filing along with the name of the rate element.
 - 2) Rate elements not proposed to be changed. The utility shall summarize revenue from all those rate elements that will remain unchanged from the current rate charges.
 - 3) Units in Service. Annual unit revenues for the historic year for the rate elements being changed shall be based on the year-end units in service multiplied by 12. Initial non-recurring charges or other one-time charge revenues shall be based on the historical year occurrences.
 - 4) General instructions. Unless otherwise changed by subsection (3), the telecommunications carriers shall follow the instructions set forth in subsection (1) above to the extent that the instructions are appropriate.

Section 285.5020 Schedule E-5 Billing Units

- a) The Billing Units portion of the Rates and Tariffs Standard Filing Requirements (Schedule E-5) varies by the type of utility and Test Year chosen by the utility. Three E-5 Schedules are included.
- b) One set is applicable to the electric and gas utilities; one set is applicable to the water and sewer utilities; and one set is applicable to telecommunication carriers.
- c) Schedule E-5 concerns only billing units that give rise to jurisdictional revenues reported in Schedule E-4 (Section 285.5015) and does not require information on corresponding revenues.
- d) Schedule E-5 consists of three parts: Historical, Current, and Future.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- 1) The Historical section (Section A) reports billing units for the selected historical year as actually experienced and as shown by the books and records and each adjustment made by the utility to the actual units for items such as weather, growth, etc., to arrive at pro forma revenues at present and proposed rates for the historical period as set forth in Section 285.5015(d)(1).
 - 2) The Current section (Section B) reports all billing units beginning with those actually experienced in the historical test year and sets forth each adjustment for items such as weather and growth to arrive at pro forma revenues at present and proposed rates on pro forma sales used in Section 285.5015(d)(2).
 - 3) The Future section (Section C) reports all billing units beginning with those actually experienced in the historical test year and sets forth each adjustment for items such as weather and growth to arrive at pro forma revenues at present and proposed rates on pro forma sales used in Section 285.5015(d)(3).
- e) Schedule E-5 Electric and Gas Utilities
- 1) "Billing Units" are to be reported by rate classifications which make up the total revenue for each designated rate in combination with its accompanying rider(s) to the rates, if any.
 - 2) "Billing units" for each rate schedule and each rate by block within a schedule are to be reported, whether changed or not. Components consist of:
 - A) customer charges (service charges);
 - B) minimum bills if applicable;
 - C) energy sales units;
 - D) demand units;
 - E) purchased gas adjustment units or fuel adjustment units;
 - F) all other units as necessary that give rise to revenues.
- f) Schedule E-5 Water and Sewer Utilities
Water and sewer utilities shall follow the instructions in subsection (e) to the extent that the instructions are appropriate.
- g) Schedule E-5 Telecommunications Carriers
Telecommunications carriers shall provide rates and usage for all tariffed services.
- h) Schedule E-5 All Utilities - Elasticity of Demand Study(ies)
Any utility which prepares an elasticity of demand study to support adjustments to test year billing units shall submit a copy of the study in addition to the other information required by this Section.

Section 285.5025 Schedule E-6 Typical Bill Comparison

- a) There are two schedules labeled E-6. One schedule is applicable to gas, electric, water and sewer utilities, and the other schedule is applicable to telecommunication carriers.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

- b) Typical bills by rate schedule and classification. Compute typical bill comparisons for residential customers for the Test year for each rate schedule or combination of rate schedule with its associated rate combination of rate schedule with its associated rate rider on which such customers are serviced. Rates with different seasonal charges (winter, summer) shall be shown for each season. Rates with demand charges shall be shown for appropriate ranges of demand levels imposed by customers. Unmetered services shall be shown by the sales unit (per lamp, per hydrant) instead of level of usage. The bill comparisons shall demonstrate the full range of percent increases and decreases that are expected to occur by reporting the consumption levels that produce the maximum percent increase and the minimum percent increase or maximum percent decrease, whichever occurs.
- c) Calculation of bills. The dollar amounts computed for current bills and proposed bills shall include the charges resulting from the purchased gas adjustment factor, the fuel adjustment factor and the state revenue tax charge that were in effect on the date of filing. Municipal tax charges and franchise fees shall be separately stated.
- d) Bill comparison for telecommunications carriers. Telecommunications carriers shall submit data sought on the appropriate Schedule E-6. Data sought are bill comparisons for typical basic telecommunications service used by the majority of residential and business customers. If the charges are different for the exchange areas served, list the bill comparisons for typical service in representative rate groups (i.e., rate group with the highest percentage increase/decrease, rate group with the lowest percentage increase/decrease, and a rate group containing the largest number of exchanges).

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

Section 285.ILLUSTRATION A Working Papers Referencing System

GRAPHIC MATERIAL

See printed copy of IAC for detail

POSITION DESCRIPTION

- 1 & 2 First and second characters will always be "WP", which denotes working papers.
- 3 Position 3 will always represent the section of Standard Filing Requirement schedules to which the work papers are related. The sections are:
- A Revenue Financial Summaries
 - B Rate Base
 - C Operating Income
 - D Rate of Return
 - E Rates and Tariffs
- 4 Position 4 will always represent the schedule number within a section. The first schedule within a section will always be "1", the second "2", etc. Several standard schedule numbers have been assigned. If the utility wishes to supply additional schedules in any section, the next available (unassigned) schedule number in the appropriate section shall be used.
- 5 Position 5 shall be used for supporting schedules which feed a specific schedule number identified by the fourth position. The first supporting schedule shall have positions 3 and 4 coded with the section and schedule number which the supporting schedules feed, and it shall be numbered "1", the second "2", etc.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED REPEALER

For example:

The standard number assigned to the Operating Income Adjustment Summary Schedule is C-3. The first adjustment shall be supported by a separate schedule numbered C-3.1. The second adjustment supporting schedule shall be C-3.2. The working papers would be indexed WPC-3.1 and WPC-3.2, respectively.

- 6 Position 6 shall be used only (as required) when data is required for supporting a schedule identified by the 5-position digit. The first additional supporting schedule shall be identified with the lower case letter "a", the second "b", etc. In all cases where the 6th position is used, the 3rd, 4th, and 5th position characters shall be coded with the section, schedule and supporting schedule which the additional data supports.

For example:

Information provided as additional support for adjustment C-3.1 would be coded in the working papers as:
1 a, b, c . . . etc.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 1) Heading of the Part: Standard Information Requirements for Public Utilities and Telecommunications Carriers in Filing for an Increase in Rates
- 2) Code Citation: 83 Ill. Adm. Code 285
- 3) Section Numbers: Proposed Action:

285.110	New Section
285.111	New Section
285.112	New Section
285.115	New Section
285.120	New Section
285.130	New Section
285.140	New Section
285.145	New Section
285.150	New Section
285.300	New Section
285.305	New Section
285.310	New Section
285.315	New Section
285.320	New Section
285.325	New Section
285.400	New Section
285.410	New Section
285.1000	New Section
285.1005	New Section
285.1010	New Section
285.1015	New Section
285.1020	New Section
285.1025	New Section
285.2000	New Section
285.2005	New Section
285.2010	New Section
285.2015	New Section
285.2020	New Section
285.2025	New Section
285.2030	New Section
285.2035	New Section
285.2040	New Section
285.2045	New Section

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

285.2050	New Section
285.2055	New Section
285.2060	New Section
285.2065	New Section
285.2070	New Section
285.2075	New Section
285.2080	New Section
285.2085	New Section
285.2095	New Section
285.2100	New Section
285.2105	New Section
285.2110	New Section
285.2115	New Section
285.2200	New Section
285.3000	New Section
285.3005	New Section
285.3010	New Section
285.3015	New Section
285.3020	New Section
285.3025	New Section
285.3035	New Section
285.3040	New Section
285.3045	New Section
285.3050	New Section
285.3055	New Section
285.3060	New Section
285.3065	New Section
285.3066	New Section
285.3068	New Section
285.3070	New Section
285.3075	New Section
285.3080	New Section
285.3085	New Section
285.3090	New Section
285.3105	New Section
285.3115	New Section
285.3135	New Section
285.3140	New Section
285.3145	New Section
285.3150	New Section

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

285.3155	New Section
285.3160	New Section
285.3165	New Section
285.3170	New Section
285.3175	New Section
285.3180	New Section
285.3185	New Section
285.3190	New Section
385.3215	New Section
285.3220	New Section
285.3225	New Section
285.3230	New Section
285.3235	New Section
285.3300	New Section
285.3305	New Section
285.3310	New Section
285.3400	New Section
285.3500	New Section
285.3600	New Section
285.3700	New Section
285.4000	New Section
285.4010	New Section
285.4020	New Section
285.4030	New Section
285.4040	New Section
285.4050	New Section
285.4060	New Section
285.4070	New Section
285.4080	New Section
285.4090	New Section
285.5005	New Section
285.5010	New Section
285.5015	New Section
285.5020	New Section
285.5025	New Section
285.5100	New Section
285.5105	New Section
285.5110	New Section
285.5120	New Section
285.5130	New Section

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

285.5135	New Section
285.5200	New Section
285.5205	New Section
285.5210	New Section
285.5300	New Section
285.5305	New Section
285.5315	New Section
285.6000	New Section
285.6005	New Section
285.6010	New Section
285.6015	New Section
285.6020	New Section
285.6100	New Section
285.6200	New Section
285.6205	New Section
285.6210	New Section
285.6300	New Section
285.6305	New Section
285.6310	New Section
285.6315	New Section
285.6320	New Section
285.7000	New Section
285.7005	New Section
285.7010	New Section
285.7015	New Section
285.7020	New Section
285.7025	New Section
285.7030	New Section
285.7035	New Section
285.7045	New Section
285.7050	New Section
285.7055	New Section
285.7060	New Section
285.7065	New Section
285.7070	New Section
285.7075	New Section
APPENDIX A	New Section

- 4) Statutory Authority: Implementing Section 9-201 and authorized by Section 10-101 of the Public Utilities Act [220 ILCS 5/9-201 and 10-101].

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 5) A Complete Description of the Subjects and Issues Involved: In Docket 93-0351, the Illinois Commerce Commission (Commission) began a review of 83 Ill. Adm. Code 285, "Standard Filing Requirements for Electric, Gas, Water and Sewer Utilities and Telecommunications Carriers in Filing for an Increase in Rates". Since the opening of that proceeding, the changes in the regulatory landscape have been significant. On the motion of Commission Staff, the Commission has dismissed that proceeding to close that docket in conjunction with the initiation of a new proceeding. In a Staff Report dated July 10, 2002, the staff of the Financial Analysis Division recommends initiating a new proceeding in which the Commission would repeal the current Part 285 and replace it with a new Part 285. Staff also recommends that the Commission adopt 83 Ill. Adm. Code 286, "Submission of Rate Case Testimony" and 83 Ill. Adm. Code 287, "Rate Case Test Year".

The current Part 285 was to aid the rate setting process in an era of almost complete rate of return regulation of vertically integrated utility companies. The rules provide direction to utilities for providing a limited amount of information to be utilized in establishing rates within the context of the traditional rate case. Information to be provided is basic to developing the three major elements of revenue requirement: rate base, net income, and required return on capital.

The Staff recommends that changes to the current Part 285 are needed to accommodate the information needs of the changing regulatory and information technology environments. The primary function of Part 285 is to provide information to identify potential issues to be expanded upon in the record. Many changes in the structure of the rate setting process, the ownership structure, and the operational structure of the utility industry have occurred since the initial adoption of Part 285. The proposed Part 285 will contain adequate information, considering the current rate setting process, the ownership structures, and the operational structures of utilities, to allow staff to pursue additional information, and to identify issues to be expanded upon in the record. There have been changes in the Public Utilities Act since the adoption of Part 285, with the most significant being the addition of Articles XIII and XVI to the Act, creating the new environments for telecommunications and electric deregulation. The impact of gas transportation, mergers and corporate reorganizations, and the information technology environment are further reasons for the proposed new rules.

Rate case testimony and rate case test years are two topics covered in the current Part 285. The Commission is proposing removing these from Part 285 and creating two new Parts, 83 Ill. Adm. Code 286 and 287 to deal with these matters.

- 6) Will these proposed rules replace emergency rules currently in effect? No

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 7) Does this rulemaking contain an automatic New Section date? No
- 8) Do these proposed rules contain incorporations by reference? Yes
- 9) Are there any other proposed amendments pending on this Part? No
- 10) Statement of Statewide Policy Objectives: These proposed rules neither create nor expand any State mandate on units of local government, school districts, or community college districts.
- 11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Comments should be filed with:

Donna M. Caton
Chief Clerk
Illinois Commerce Commission
527 East Capitol Avenue
Springfield IL 62701
(217)782-7434

Comments should be filed with the Chief Clerk within 45 days after the date of this issue of the *Illinois Register* in Docket 02-0509.

- 12) Initial Regulatory Flexibility Analysis:
 - A) Types of small businesses, small municipalities and not for profit corporations affected: These rules will affect any subject jurisdictional entities that are also small businesses as defined in the Illinois Administrative Procedure Act. These rules will not affect any small municipalities or not for profit corporations unless they are also jurisdictional entities.
 - B) Reporting, bookkeeping or other procedures required for compliance: Bookkeeping and filing procedures
 - C) Types of professional skills necessary for compliance: Managerial and accounting skills
- 13) Regulatory Agenda on which this rulemaking was summarized: July 2002

The full text of the Proposed Rules begins on the next page:

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

TITLE 83: PUBLIC UTILITIES

CHAPTER I: ILLINOIS COMMERCE COMMISSION

SUBCHAPTER b: PROVISIONS APPLICABLE TO MORE THAN
ONE KIND OF UTILITY

PART 285

STANDARD INFORMATION REQUIREMENTS FOR PUBLIC UTILITIES AND
TELECOMMUNICATIONS CARRIERS IN FILING FOR AN INCREASE IN RATES

SUBPART A: GENERAL INSTRUCTIONS

Section

- 285.110 Purpose
- 285.111 Information to be Provided to the Chief Clerk
- 285.112 Disclosure and Non-disclosure of Information
- 285.115 Definitions
- 285.120 Applicability
- 285.130 Minimum Requirements
- 285.140 Waiver of Standard Information Requirements
- 285.145 Compliance
- 285.150 General Information Requirements to Be Available

SUBPART B: GENERAL INFORMATION REQUIREMENTS

Section

- 285.300 Instructions
- 285.305 General Information Requirements Applicable for All Utilities Subject to this Part
- 285.310 General Information Requirements Applicable for Electric Utilities
- 285.315 General Information Requirements Applicable for Gas Utilities
- 285.320 General Information Requirements Applicable for Telecommunications Carriers
Subject to this Part
- 285.325 General Information Requirements Applicable for Water and/or Sewer Utilities

SUBPART C: GENERAL INSTRUCTIONS FOR SCHEDULES AND WORK PAPERS

Section

- 285.400 Schedules

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

285.410 Work Papers

SUBPART D: REVENUE AND FINANCIAL SUMMARY SCHEDULES

Section

285.1000 Schedule A-1: Summary of Standard Information Requirements
285.1005 Schedule A-2: Overall Financial Summary
285.1010 Schedule A-2.1: Computation of Jurisdictional Gross Revenue Conversion Factor
285.1015 Schedule A-3: Comparison of Present and Proposed Rates
285.1020 Schedule A-4: Comparison to Prior Rate Order
285.1025 Schedule A-5: Jurisdictional Allocation Summary

SUBPART E: RATE BASE SCHEDULES

Section

285.2000 Rate Base Instructions
285.2005 Schedule B-1: Jurisdictional Rate Base Summary by ICC Account
285.2010 Schedule B-2: Summary of Utility Adjustments to Rate Base
285.2015 Schedules B-2.1, 2, 3, etc.: Detailed Adjustments to Rate Base
285.2020 Schedule B-3: Comparative Balance Sheet for Prior Three Years and the Test Year
285.2025 Schedule B-4: Summary of Adjustments to Plant in Service
285.2030 Schedule B-5: Gross Additions, Retirements, and Transfers
285.2035 Schedule B-5.1: Gains and Losses on Sales of Property
285.2040 Schedule B-5.2: Property Merged or Acquired from Other Utilities
285.2045 Schedule B-5.3: Leased Property Included in Rate Base
285.2050 Schedule B-6: Depreciation Reserve
285.2055 Schedule B-7: Construction Work in Progress
285.2060 Schedule B-7.1: Construction Work in Progress Percent Complete
285.2065 Schedule B-7.2: Allowance for Funds Used During Construction
285.2070 Schedule B-8: Cash Working Capital
285.2075 Schedule B-8.1: Materials and Supplies
285.2080 Schedule B-9: Accumulated Deferred Income Taxes
285.2085 Schedule B-9.1: Detailed Listing of Balance Sheet Assets and Liabilities
285.2095 Schedule B-10: Deferred Charges
285.2100 Schedule B-11: Property Held for Future Use Included in Rate Base
285.2105 Schedule B-12: Analysis of Activity in Property Held for Future Use
285.2110 Schedule B-13: Customer Deposits
285.2115 Schedule B-14: Budget Payment Plan Balances

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

285.2200 Schedule B-15: Additions to and Transfers from Customer Advances and Contributions in Aid of Construction – Water and/or Sewer Utilities

SUBPART F: OPERATING INCOME SCHEDULES

Section

285.3000 Operating Income Instructions
285.3005 Schedule C-1: Jurisdictional Operating Income Summary
285.3010 Schedule C-2: Summary of Utility Proposed Adjustments to Operating Income
285.3015 Schedules C-2.1, 2, 3, etc.: Detailed Adjustments to Operating Income
285.3020 Schedule C-3: Sales Statistics
285.3025 Schedule C-4: Comparative Operating Income Statements for Prior Years and the Test Year

285.3035 Schedule C-5: Income Taxes
285.3040 Schedule C-5.1: Consolidated Federal Income Tax Return
285.3045 Schedule C-5.2: Deferred Income Tax Expense
285.3050 Schedule C-5.3: Differences between Book and Tax Depreciation
285.3055 Schedule C-5.4: Interest Synchronization
285.3060 Schedule C-5.5: Investment Tax and Job Development Credits
285.3065 Schedule C-6: Social and Service Club Membership Dues
285.3066 Schedule C-6.1: Industry Association Dues
285.3068 Schedule C-6.2: Expenses for Outside Professional Services
285.3070 Schedule C-7: Charitable Contributions
285.3075 Schedule C-8: Demonstration and Selling, Advertising, and Miscellaneous Sales Expenses

285.3080 Schedule C-9: Civic, Political, and Related Activities
285.3085 Schedule C-10: Rate Case Expense
285.3090 Schedule C-10.1: Rate Case Expense Comparisons
285.3105 Schedule C-11. 1: Direct Payroll by Function
285.3115 Schedule C-11. 2: Number of Employees
285.3135 Schedule C-11.3: Employee Benefits
285.3140 Schedule C-11.4: Reconciliation of Estimated Overhead and Clearing Costs with Actual Costs

285.3145 Schedule C-12: Depreciation Expense
285.3150 Schedule C-13: Summary of Affiliated Interest Transactions
285.3155 Schedule C-14: Operating Leases
285.3160 Schedule C-15: Major Maintenance Projects
285.3165 Schedule C-16: Uncollectible Expense
285.3170 Schedule C-17: Insurance Expense
285.3175 Schedule C-18: Taxes Other Than Income Taxes

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

285.3180	Schedule C-19: Property Taxes
285.3185	Schedule C-20: Local Taxes, Municipal Taxes, and Franchise Taxes
285.3190	Schedule C-21: Miscellaneous General Expenses
285.3215	Schedule C-22: Cost Savings Programs
285.3220	Schedule C-23: Miscellaneous Operating Revenues
285.3225	Schedule C-24: Legal Expense and Reserves
285.3230	Schedule C-25: Add-On Taxes
285.3235	Schedule C-26: Amortization of Deferred Charges
285.3300	Schedule C-27: Fuel Adjustment Clause Revenues and Expenses – Electric Utilities
285.3305	Schedule C-28: Fuel Transportation Expense – Electric Utilities
285.3310	Schedule C-29: Decommissioning Expense – Electric Utilities with Nuclear Facilities
285.3400	Schedule C-30: Purchased Gas Adjustment Clause Revenues and Expenses – Gas Utilities
285.3500	Schedule C-31: Competitive Services
285.3600	Schedule C-32: Non-utility Operations
285.3700	Schedule C-33: Billing Experiments (Applicable only to utilities requesting a change in rates for the provision of electric service)

SUBPART G: RATE OF RETURN SCHEDULES

Section	
285.4000	Rate of Return Instructions
285.4010	Schedule D-1: Cost of Capital Summary
285.4020	Schedule D-2: Cost of Short-term Debt
285.4030	Schedule D-3: Embedded Cost of Long-term Debt, including Notes
285.4040	Schedule D-4: Embedded Cost of Preferred Stock
285.4050	Schedule D-5: Unrecovered Common Equity Issuance Costs
285.4060	Schedule D-6: Cost of Common Equity Work Papers
285.4070	Schedule D-7: Comparative Financial Data
285.4080	Schedule D-8: Security Quality Ratings
285.4090	Schedules D-9 through D-12: Financial Statements

SUBPART H: RATE AND TARIFF SCHEDULES

Section	
285.5005	Schedule E-1: Copy of Current Tariff Sheets
285.5010	Schedule E-2: Copy of Proposed Tariff Sheets
285.5015	Schedule E-3: Revised Copies of Existing Tariff Sheets

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 285.5020 Schedule E-4: Narrative Rationale for Tariff Changes
285.5025 Schedule E-5: Billing Units – Electric, Gas, Water, and Sewer Utilities
285.5100 Additional Electric and Gas Utility Rate Design Data Requirements
285.5105 Schedule E-6: Jurisdictional Operating Revenue – Electric and Gas Utilities
285.5110 Schedule E-7: Embedded Class Cost of Service Studies – Electric and Gas Utilities
285.5120 Schedule E-8: Load Research – Electric Utilities
285.5130 Schedule E-10: Bill Frequency Data – Electric and Gas Utilities
285.5135 Schedule E-11: Bill Comparisons – Electric and Gas Utilities
285.5200 Schedule E-6: Long-Run Service Incremental Cost Studies – Telecommunications Carriers
285.5205 Schedule E-7: Imputation Tests – Telecommunications Carriers
285.5210 Schedule E-8: Jurisdictional Operating Revenue – Telecommunications Carriers
285.5215 Schedule E-9: Bill Comparisons – Telecommunications Carriers
285.5300 Schedule E-6: Jurisdictional Operating Revenue – Water and Sewer
285.5305 Schedule E-7: Embedded Cost-of-Service Studies – Water and Sewer
285.5315 Schedule E-8: Bill Comparisons – Water and Sewer

SUBPART I: PLANNING AND OPERATIONS SCHEDULES FOR GAS AND/OR ELECTRIC UTILITIES

Section

- 285.6000 Applicability of Subpart I
285.6005 Schedule F-1: Electric Generating Station Data
285.6010 Schedule F-2: Electric Interchange Transactions
285.6015 Schedule F-3: Electric Utility Marginal Energy Costs
285.6020 Schedule F-3: 1 Distribution System Maintenance Expense
285.6100 Schedule F-4: Additions to Plant in Service Since the Last Rate Case
285.6200 Schedule F-5: Fossil Fuel Inventory – Electric Utilities
285.6205 Schedule F-6: Contractual Coal Delivery Schedule – Electric Utilities
285.6210 Schedule F-7: Fossil Fuel Supply Interruptions – Electric Utilities
285.6300 Schedule F-8: Gas Stored Underground – Gas Utilities
285.6305 Schedule F-9: Underground Gas Storage Activity – Gas Utilities
285.6310 Schedule F-10: Adequacy of Underground Gas Storage Levels – Gas Utilities
285.6315 Schedule F-11: Propane, Liquefied Natural Gas, and Synthetic Natural Gas Facilities – Gas Utilities
285.6320 Schedule F-12: Propane, LNG, and SNG Feedstock Inventory Levels – Gas Utilities

SUBPART J: FUTURE TEST YEAR REQUIREMENTS

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

Section

285.7000	Instructions for Subpart J
285.7005	Schedule G-1: Comparison of Prior Forecasts to Actual Data – Prior Three Years
285.7010	Schedule G-2: Statement from the Independent Certified Public Accountant
285.7015	Schedule G-3: Statement on Assumptions Used in the Forecast
285.7020	Schedule G-4: Statement on Accounting Treatment
285.7025	Schedule G-5: Assumptions Used in the Forecast
285.7030	Schedule G-6: Inflation
285.7035	Schedule G-7: Proration of Accumulated Deferred Income Taxes
285.7045	Schedule G-8: Actual Gross Additions and Retirements Compared to Original Budget
285.7050	Schedule G-9: Comparison of Budgeted Non-Payroll Expense to Actual
285.7055	Schedule G-10: Budgeted Payroll Expense
285.7060	Schedule G-11: Budgeted Number of Employees
285.7065	Schedule G-12: Forecasted Property Taxes
285.7070	Schedule G-13: Comparison of Actual Financial Results to the Originally Approved Forecast for Each of the Past Twelve Months and Eight Subsequent Months
285.7075	Financial Statements

APPENDIX A Work Paper Referencing System

AUTHORITY: Implementing Section 9-201 and authorized by Section 10-101 of the Public Utilities Act [220 ILCS 5/9-201 and 10-101].

SOURCE: Adopted at 5 Ill. Reg. 9029, effective August 28, 1981; amended and codified at 7 Ill. Reg. 15562, effective December 20, 1983; emergency amendment at 10 Ill. Reg. 760, effective January 1, 1986, for a maximum of 150 days; amended at 10 Ill. Reg. 8980, effective May 25, 1986; amended at 14 Ill. Reg. 6000, effective May 1, 1990; amended at 15 Ill. Reg. 16050, effective November 1, 1991; old Part repealed at 26 Ill. Reg. _____, effective _____. new Part adopted at 26 Ill. Reg. _____, effective _____.

SUBPART A: GENERAL INSTRUCTIONS

Section 285.110 Purpose

- a) These standard information requirements are designed to assist the Staff of the Illinois Commerce Commission (Commission, ICC, or ILCC) to review filings for

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

tariffed rate increases under Sections 9-201 and 16-108 of the Public Utilities Act (Act) [220 ILCS 5/9-201 and 16-108].

- b) These standard information requirements do not bind the Commission to a decision based solely on data provided pursuant to this Part, and parties and Commission Staff may seek additional information through discovery.
- c) Information required by this Part does not become part of the record unless admitted into evidence under applicable Commission Rules of Practice (83 Ill. Adm. Code 200).

Section 285.111 Information to be Provided to the Chief Clerk

- a) Notwithstanding any other provisions of this Part, a utility providing information to Commission Staff pursuant to this Part, except for information provided under subsection (b), shall also provide one copy of that information to the Chief Clerk in a format that complies with 83 Ill. Adm. Code 200.
- b) A utility providing information to the Chief Clerk under this Section may designate portions of that information as information for which it intends to seek a protective order. This designated information shall be separated from the remainder of the information provided to the Chief Clerk.
- c) Subject to subsections (c)(3) and (4), the Chief Clerk shall not provide any information designated for a protective order to parties in the rate case without utility permission, provided the utility requests a protective order for that information under 83 Ill. Adm. Code 200.430 when the information is filed.
 - 1) Any party shall have 21 days after the date of the request for a protective order to respond to the request, and the utility shall have ten days after the deadline date for filing responses to file its reply.
 - 2) If the utility's tariffs are not suspended, the designated information shall not be released to any individual or entity by the Chief Clerk without the utility's permission.
 - 3) The Staff of the Commission is entitled to review the designated information at any time.
 - 4) Pursuant to 15 ILCS 205/6.5(d), the Illinois Attorney General has a statutory right to review the designated information.
- d) Information provided to the Chief Clerk under this Section for which the utility has requested a protective order shall be treated by the Chief Clerk as directed in the protective order or other order or decision issued in response to the utility's request for a protective order.
- e) The utility need not provide information to the Chief Clerk pursuant to this Section that is protected from disclosure by Illinois Supreme Court Rule 201(b)(2). However, in any case where a utility withholds information otherwise required to be

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

provided by this Section, it shall provide the Chief Clerk a description of the information and a description of the basis for the assertion of the privilege claim.

- f) Information provided to the Chief Clerk under this Section, for which a utility has indicated it will request a protective order, but for which no protective order is in fact requested by the utility, shall be released by the Chief Clerk to the parties to the rate case as if the utility had not indicated it would seek a protective order. However, any individual or entity other than a party to the rate case may gain access to that information only through a petition to the Commission in which the utility shall be named as the respondent.
- g) Nothing in this Section shall be construed to prevent utilities and parties from entering into non-disclosure agreements in lieu of, or in addition to, the protective order process described in subsections (b) through (d).

Section 285.112 Disclosure and Non-disclosure of Information

- a) A utility providing information to the Director of the Financial Analysis Division, the Director of the Energy Division, and/or the Director of the Telecommunication Division under this Part may, when the information is filed, designate portions of that information as information for which it intends to seek a protective order.
- b) Information that has been designated by a utility as that for which it intends to seek a protective order shall not be disclosed by Staff to any person outside the Commission other than representatives of the Illinois Attorney General pursuant to 15 ILCS 205/6.5(d) without utility permission, provided the utility requests a protective order for that information under 83 Ill. Adm. Code 200.430 by no later than the first status hearing in the rate case.
- c) Information provided to Staff under this Part for which the utility has requested a protective order shall be treated by Staff as directed in the protective order or other order or decision issued in response to the utility's request for a protective order. Information provided to Staff under this Part, for which the utility has indicated it will request a protective order, but for which information no protective order is in fact requested by the first status hearing in the rate case, shall be treated by Staff as if the utility had not indicated it would seek a protective order.
- d) The utility need not provide information to Commission Staff pursuant to this Part that is protected from disclosure by Illinois Supreme Court Rule 201(b)(2). However, in any case in which a utility withholds information otherwise required to be provided by this Part, by reason of assertion of a privilege, it shall provide a description of the information and a description of the basis for the assertion of the privilege claim.
- e) Subject only to the above limitations, Commission Staff is hereby authorized to prepare, from information provided under this Part, material for introduction into the

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

record of any rate case and to disclose that information in connection with discharge of its responsibilities under the Act.

Section 285.115 Definitions

"Act" means the Public Utilities Act [220 ILCS 5].

"Affiliate" or "affiliated interests" means the entities defined in Section 7-101 of the Act [220 ILCS 5/7-101].

"Annual interest expense" equals annualized coupon interest plus annualized debt expense amortization plus (less) annualized discount (premium) amortization.

"Applicable service" means the service to which the requested rate changes apply and over which the Commission has authority to grant the request.

"Average data" means the arithmetic mean of beginning and end-of-year balances.

"Capital structure measurement period" refers to the period or point in time at which all long-term components of the capital structure are measured. This may differ from the "test year".

"Carrying value" equals face amount of debt outstanding less (plus) unamortized discount (premium) less unamortized expense.

"Compensating balance" refers to the amount required by a bank for extending a loan. For purposes of this Subpart, the amount of Rural Telephone Finance Corporation (RTFC) stock purchased pursuant to an RTFC loan agreement shall be considered a compensating balance.

"Current proceeds" equals the sum of net proceeds at issue date less all interest or dividend payments, less all remarketing fees, less the cost of all principal retirements plus all interest or dividend income to date.

"Day" means calendar day unless otherwise specified.

"Direct payroll" means the amount of payroll costs initially charged to a given expense, capital or other account, exclusive of amounts charged in error and subsequently corrected, rather than amounts for payroll costs that were initially charged to a clearing or

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

sundry account and subsequently charged into a given expense or capital account through a reallocation.

"Discount rate" refers to the internal rate of return.

"Gross proceeds" refers to the total price paid by stockholders.

"Interest requirement" equals the annualized interest payable on short-term debt.

"Internal rate of return method" refers to the calculation of the embedded cost of debt and preferred stock by equating the present value of cash flows associated with an issue to its current proceeds.

"Jurisdictional" means each portion of a utility's certificated service for which the Commission has regulatory authority.

"Long-term debt" refers to debt that matures more than one year after the issue date.

"Maturity date" refers to the date on which the principal amount of a debt security becomes payable or the termination date on which an installment loan must be paid in full.

"Monthly average data" means the arithmetic mean of the 12 monthly averages for the test year or prior years; each monthly average is the arithmetic mean of the beginning and end-of-month balances.

"Monthly balance" means the end-of-month balance.

"Net proceeds" equals principal, par or stated amount outstanding less (plus) discount (premium) less issuance expense.

"Net proceeds method" refers to the calculation of the embedded cost of debt by dividing annual interest by carrying value and to the calculation of the embedded cost of preferred stock by dividing annual dividend requirements by net proceeds.

"Non-utility" means any business, enterprise or activity not essentially and directly connected with the provision of utility service.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

"Parent company" means any corporation holding the power to vote either a majority of the voting capital stock of a public utility, or a majority of the voting capital stock of a company that is a parent company by virtue of this definition.

"Preferred stock" includes both preferred and preference stock.

"Reacquired issue" refers to a security retired before its maturity date.

"Refunded issue" refers to a security retired before its maturity date with proceeds from another issue.

"Refunding issue" refers to a security issued to retire another security before the maturity date of the retired security.

"Service" means the specific product or support provided to customers, such as electric, gas, water, or wastewater.

"Short-term debt" refers to debt maturing within one year after the issue date.

"Sinking fund" refers to an account established for the redemption of debt or preferred stock securities at a prescribed date and amount.

"Tariffed rates" means those rates or other charges on file with and approved by the Commission that generate the utility's gross operating revenues for any of the utility's authorized services, including, but not limited to, energy, delivery, transmission, metering, and bundled services. Tariffed rates, however, do not include rates and charges that can be changed pursuant to conditions set forth in the utility's tariffs. Examples of rates or other charges that can be changed pursuant to conditions set forth in the utility's tariff include, but are not limited to, rates pursuant to the purchased gas adjustment clause, the fuel adjustment clause, purchased water and purchased sewage treatment clauses.

"Total company" refers to a utility and its ownership interest in all subsidiary companies.

"Utility" means a public utility as defined by Section 3-105 of the Act [220 ILCS 5/3-105]. "Utility", unless the context indicates differently, includes "telecommunications carriers" as defined in Section 13-202 of the Act [220 ILCS 5/13-202].

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

Section 285.120 Applicability

- a) Unless otherwise specified, the standard information requirements are applicable to all utilities under the jurisdiction of the Commission filing for a change in tariffed rates that increases annual revenue 1.0% or more when comparing revenue as first calculated using current authorized rates against the revenue that is calculated using the requested rates. The standard information requirements are also applicable to increases of less than 1% if cumulative filings, including the current filing, over the previous 12 month period would increase revenues by 1% or more. If certain rates are not to be changed by the utility's request, revenues resulting from the application of those rates are to be included in the comparison, provided that the rates that are not changing are a component of the applicable service for which the utility is seeking a rate change.
- b) The standard information requirements are not applicable to filings for competitive service, for other services over which the Commission lacks jurisdiction for rate setting, or for reclassifying a previously noncompetitive service to competitive service. Such filings are to be made, where applicable, in accordance with the applicable provisions of the Act.
- c) The standard information requirements are not applicable to telecommunications carriers that have no more than 35,000 subscriber access lines. Such carrier's filing requirements are subject to the provisions of Section 13-504 of the Act [220 ILCS 5/13-504].
- d) The standard information requirements are not applicable to electric, gas, water, or sewer utilities that provide utility service to no more than 35,000 customers. When determining if a utility serves no more than 35,000 customers, all customers of that utility shall be counted, regardless of the type of service provided or the jurisdiction under which a customer is provided service, except that no customer shall be counted more than once.
- e) The standard information requirements are not applicable to utilities requesting a staff review, examination, and evaluation of its books, records and operations prior to the filing of a general rate case pursuant to the notice requirements of 83 Ill. Adm. Code 255.20(g). (See Section 9-201(a) of the Act [220 ILCS 5/9-201(a)].)
- f) Unless the context of Article XIII of the Act [220 ILCS 5/Art. XIII] clearly renders such provisions inapplicable, the ratemaking provisions of Article IX of the Act [220 ILCS 5/Art. IX] relating to public utilities and the standard information requirements are fully applicable to telecommunications carriers.

Section 285.130 Minimum Requirements

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- a) Utilities shall submit the standard information requirements at the time of making any filing that meets the criteria of Section 285.120(a). The standard information requirements provide minimum information normally required to support a utility's filing. If the utility believes that further information, in addition to pre-filed testimony and exhibits, is necessary to support its case or is proposing a position that requires a departure from the basic schedules (e.g., a special revenue adjustment proposal), it is the utility's responsibility to supplement the standard information requirements as necessary to support its position.
- b) Rather than submitting each schedule with a separate notation that the schedule is not required or is not applicable, a utility shall identify all such exceptions on Schedule A-1.

Section 285.140 Waiver of Standard Information Requirements

- a) A petition for waiver of any provisions of the standard information requirements shall be filed with the Commission. The Commission shall list all waivers requested on the Report of Daily Filing. If an order on the waiver request is not entered within 60 days after the date it was filed, the waiver request shall be deemed to have been granted. The granting of any waiver of provisions of the standard information requirements shall not be a bar to parties and Commission Staff seeking that information through discovery.
- b) A request for waiver of any of the provisions of the standard information requirements shall be verified and must set forth the specific reasons in support of the request. A request for waiver shall be granted upon good cause being shown by the utility. While other factors may be considered, and shall be mentioned if considered, the following factors shall be considered:
 - 1) Whether other information available in the rate filing permits a review of the rate filing in a complete and timely manner;
 - 2) Whether other information, that the utility would provide if the waiver is granted, permits a review of the rate filing in a complete and timely manner;
 - 3) The degree to which the information that is the subject of the waiver request is maintained by the utility in the ordinary course of business or is available to it from the information that it maintains; and
 - 4) The expense to the utility in providing the information that is the subject of the waiver request.

Section 285.145 Compliance

- a) Within 35 days after the date of filing the tariffs, the Director of the Hearings and Orders Division of the Commission or the assigned Administrative Law Judge shall

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

provide a written list of any deficiencies in the materials submitted pursuant to this Part to the utility with two copies to the Director of the Financial Analysis Division. The utility shall have 28 days after receipt of the list of deficiencies to submit the additional information to the assigned Administrative Law Judge and the Director of the Financial Analysis Division. If a utility does not intend to supply the information requested in the list of deficiencies, it shall notify the Director of the Hearings and Orders Division of the Commission or the assigned Administrative Law Judge of its intention within 10 days after its receipt of the list of deficiencies.

- b) If the utility fails to comply with this Part, after having been notified in writing, and fails to provide to the Director of the Hearings and Orders Division of the Commission or the assigned Administrative Law Judge the requested information, the failure could result in a citation or other enforcement pursuant to law for failure to comply with this Part. In determining whether to take enforcement action, the Commission shall consider, among other things:
- 1) Any explanation that may be provided by the utility;
 - 2) The Commission's need for the information;
 - 3) The difficulty to the utility of providing the information, including the cost of compliance to the utility; and
 - 4) The utility's previous record of compliance with the requirements of this Part and the utility's efforts at cooperation with the Commission and its Staff.

Section 285.150 General Information Requirements to Be Available

The utility shall make the following information available to the Commission Staff at the utility's office:

- a) The work papers of the independent auditor related to the utility's most recent fiscal year for which an audit has been completed and the test year used in the current filing. If no independent auditor's opinion is expressed on the utility alone, then the audit work papers for the utility's parent shall be made available. The work papers shall include engagement letters, representation letters, and additional correspondence between the utility and the independent auditor regarding the engagement;
- b) Information directly or indirectly supporting the utility's testimony, exhibits, and standard information requirements submitted in conjunction with the utility's filing for a tariff rate increase, such as work papers, invoices, the general ledger, schedules, other supporting data, etc.;
- c) All minutes of board of directors meetings for the utility and all minutes of board of director meetings for its parent and all other affiliated interests to the extent those minutes relate to transactions listed in Section 285.3150 between the utility

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- and such affiliated interests and a list of all other affiliated interests defined by Section 7-101 of the Act [220 ILCS 5/7-101];
- d) List of all internal audits and all audits by outside entities performed during the past three years. The list will include the title of the audit, the scope of the audit, and the date of the audit report;
 - e) Any written communications from the independent auditor received by the utility since the last rate case that indicates the existence of any material weakness in the utility's internal controls;
 - f) Information pertaining to legal matters, defined as any case or lawsuit whose potential liability is greater than \$100,000, included within any reserve or test year operating expense as follows:
 - 1) Filing date of case or lawsuit;
 - 2) Description of case or lawsuit;
 - 3) Amount of any damages sought;
 - 4) Amount of any damages awarded, if any;
 - 5) Estimated liability and amount included in any reserve or expense account in the test year; and
 - 6) Status of case or lawsuit.
 - g) The most recently filed federal income tax return (If the utility is part of an affiliated group of companies and its federal income tax information is filed as part of a consolidated federal income tax return, the utility shall provide for review both the consolidated federal income tax return and the utility's information return prepared to support the consolidated federal income tax return.);
 - h) The most recently filed State income tax return (If the utility files its Illinois state income tax as part of a unitary business group; the utility shall provide for review the unitary business group's Illinois State income tax return and the utility's information return prepared to support the unitary business group's Illinois State income tax return.);
 - i) Existing accounting procedures manual or guidelines that describe the utility's policy, rules, and accounting treatment, including, but not limited to, the following subjects: construction work in progress, accumulated depreciation, advances, contributions in aid of construction, customer deposits, capital and operating leases, and materials and supplies related to construction;
 - j) Current contracts with outside collection agencies;
 - k) Current organizational chart of the utility that includes the names of all employees primarily concerned with regulatory affairs and the names of all supervisors in those departments primarily concerned with accounting, rates, finance, or budgeting;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- l) All minutes of board of directors audit committee meetings for the utility and all minutes of the board of directors audit committee meetings for its parent to the extent those minutes relate to transactions listed in Section 285.3150 between the utility and any affiliated interest;
- m) Executive compensation for each of the three consecutive years immediately preceding the test year and the test year. Information provided for each of the highest-paid five officers and the total of all officers other than the five listed shall include:
 - 1) Annual base salary including deferred amounts;
 - 2) Bonus, performance shares, or other variable amounts;
 - 3) Value of stock options awarded;
 - 4) Benefits (cash value of special life insurance or medical benefits not provided to other employees);
 - 5) Other, such as use of company car, company airplane, purchase discounts, club memberships, etc.; and
 - 6) Value of agreements to executives resigning during the year;
- n) A listing of all incentive compensation and year-end bonus plans provided to employees. The number of years of information provided shall be according to the test year proposed as directed in Section 285.3000(e). Information provided shall include:
 - 1) A description of the incentive compensation plans and year-end bonus plans, including goals and achievement levels for each plan;
 - 2) For each plan, the employee classification (e.g., all, executives, all union, pipe-fitters local, salaried, etc.) included in the plan;
 - 3) Costs associated with each plan;
 - 4) Total cost of all plans;
 - 5) Amount expensed for all plans;
 - 6) Percentage of total cost of all plans expensed;
 - 7) Amount capitalized for all plans;
 - 8) Percentage of total cost of all plans capitalized;
 - 9) Amount capitalized;
 - 10) Percentage capitalized;
 - 11) Amount expensed; and
 - 12) Percentage expensed.

SUBPART B: GENERAL INFORMATION REQUIREMENTS

Section 285.300 Instructions

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- a) Unless otherwise indicated, a utility shall deliver to the Director of the Financial Analysis Division a minimum of one copy of the most recent example of the documents and reports listed in Subpart B on or before the day of filing proposed tariffs resulting in an increase in tariffed rates as defined in Section 285.120(a). If the utility is requesting a change in electric and/or gas tariffs, the utility shall also deliver one copy of the above information to the Director of the Energy Division. If the utility is requesting a change in telecommunications tariffs, the utility shall also deliver one copy of the above information to the Director of the Telecommunications Division. If the general information requirement was provided to the Commission Staff prior to the day of filing the proposed tariffs or in a previous rate case, indicate the submittal date and to whom submitted on Schedule A-1, Tariff Filing Summary. Future reports required by Section 285.305(k)-(s) shall also be delivered to the Director of the Financial Analysis Division as they become available during the proceeding.
- b) Documents shall be labeled with the applicable Section and subsection designation. For example, the chart of accounts shall be labeled "285.305(d)".

Section 285.305 General Information Requirements Applicable for All Utilities Subject to this Part

The information listed in this Section is required from all utilities subject to this Part.

- a) Company description, including:
 - 1) A corporate history including dates of incorporation and subsequent acquisitions and mergers;
 - 2) An organizational chart depicting inter-company relationships; and
 - 3) A system map indicating all cities, counties, and any other government subdivision to which service is provided.
- b) Most recent rate orders from each regulatory entity, other than this Commission, having jurisdiction over the utility, for each type of regulated service offered by the utility.
- c) Each monthly managerial report providing financial results of operations for each of the past 12 months and each of the eight subsequent months as it becomes available.
- d) Current corporate chart of accounts and subaccounts, listing Commission account numbers, utility account numbers (if different), and description.
- e) Summary of the depreciation study supporting the rates used to calculate depreciation expense reflected on Schedule C-1. If no depreciation study exists, provide an explanation of the depreciation rates.
- f) Each labor contract, union and non-union, to which the utility is currently a party and any labor contract that has been signed but has a future effective date.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- g) Most recent actuarial report supporting post-retirement benefits, including pensions and post-retirement benefits other than pensions.
- h) A list of all private letter rulings received from the Internal Revenue Service since the utility's last rate filing before the Commission.
- i) A list of any reports or studies prepared for the utility by outside professional consultants or analysts during the last three years with a cost the lesser of .1% of the total utility annual revenues or \$500,000. The list shall include the report/study date, consultant name, subject of the report/study, cost of the report/study, and accounts charged.
- j) Most recent presentation to securities analysts by the utility and any parent company. The utility may exclude any portion of that presentation that neither directly nor indirectly relates to the utility and its subsidiaries.
- k) Most recent annual report to shareholders and statistical supplements of the utility and any parent company.
- l) Quarterly reports to shareholders issued subsequent to the last annual report to shareholders of the utility and any parent company.
- m) Most recent Securities and Exchange Commission (SEC) Form 10-K of the utility and any parent company.
- n) All SEC Form 8-Ks referenced in the SEC Form 10-K (subsection (m)) of the utility and any parent company.
- o) All SEC Form 10-Qs issued subsequent to the SEC Form 10-K of the utility and any parent company as referenced in subsection (n).
- p) Most recent prospectuses of common stock, preferred stock, and bond offerings of the utility and any parent company.
- q) Most recent proxy statement of the utility and any parent company.

Section 285.310 General Information Requirements Applicable for Electric Utilities

The information listed is required of electric utilities only.

- a) Most recent ILCC Form 21 (three copies).
- b) A list of each occurrence of a filing with other state or federal regulatory agencies, such as the Federal Energy Regulatory Commission (FERC), the Nuclear Regulatory Commission, etc., during the last three years; provided, however, that proceedings regarding worker's compensation and unemployment compensation matters, as well as any applications or filings for vehicle or construction related licenses, registrations, permits, titles, or stickers, should not be reported. Filings to be included as a single item on the list are actions such as official docketed cases, rulemakings, compliance cases, enforcement actions, etc., and those individual reports, information or letters submitted outside of official cases and actions

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

included above. The list shall include the agency, the initial filing date, and a description of the filing.

- c) Most recent FERC Form 1.
- d) Inventory policies on coal and oil that will be in effect during the test year.
- e) All studies performed by the utility or relied upon by the utility to determine its optimal fossil fuel inventory level. Include the economic justification for the fossil fuel inventory level that is being requested.
- f) Each electric utility subject to this Part shall prepare an analysis of historical and forecasted levels of peak demand and energy usage that includes:
 - 1) System peak demand and total energy usage (actual and weather adjusted) for the previous five years;
 - 2) Forecasted peak demand and energy usage for the planning period;
 - 3) An historical and projected analysis of the utility's typical daily load shape by season for the previous five years and for the first two years of the forecast period;
 - 4) Disaggregation of historical data and forecasts by customer class and end-use where information permits;
 - 5) An analysis of actual and expected interruptible demand, including actual interruptions occurring during the last five years;
 - 6) An analysis of the expected impact of cogenerators and self-generators on peak demand and energy usage over the forecast period. Such an analysis shall include the number of customers with such capacity, their capacity rating, and their contracted peak and total energy demand; and
 - 7) An assessment of the impact on actual and forecasted peak demand and energy usage from existing company-sponsored and government-sponsored or mandated conservation or load management programs. This assessment shall attempt to separate conservation and load management due to such programs from those that would have occurred in the absence of such programs.
- g) The utility shall provide alternative forecasts of peak demand and energy usage. At a minimum, the utility shall include:
 - 1) A "high demand scenario" based on alternative assumptions about explanatory variables, such as rate of economic growth, population growth, and the prices of various fuels;
 - 2) A "low demand scenario" based on alternative assumptions about explanatory variables; and
 - 3) An estimate as to the likelihood of peak demand and energy usage falling between the "high demand" and "low demand" scenarios.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- h) Plans filed by the utilities shall include a discussion of the methods, models, data, and assumptions used in preparing the information presented in subsections (f) and (g) such that the results can be replicated. This discussion shall include:
- 1) A justification of model design, variable inclusions, adjustments for future expectations, and estimation period;
 - 2) A statistical analysis of the reasonableness of the forecasts, where the models are statistical or econometric in nature;
 - 3) A discussion of the assumptions underlying all variables and the methodologies used in projecting values for those variables for both the base forecast and alternative scenarios;
 - 4) A discussion of the methods, both statistical and judgmental, used to provide the probability estimate required in subsection (g)(3);
 - 5) An analysis of the historical performance of the models used to forecast system peak demand and total energy usage;
 - 6) A discussion of the methodology used to provide historical and expected load shapes;
 - 7) A discussion of the methods used to forecast interruptible demand;
 - 8) A discussion of the methods used to estimate the impact of cogeneration and self-generation on peak demand and energy usage;
 - 9) A discussion of the methods used to estimate the impact of existing company-sponsored and government-sponsored or mandated conservation and load management programs;
 - 10) All data sets used in making the base and alternative forecasts and the sources of these data. All adjustments to data sets and the reasons for those adjustments shall be included;
 - 11) A discussion of how judgmental factors have been incorporated into the utility's forecasts of system peak and total energy usage; and
 - 12) If end-use methodologies have not been used in forecasting, an explanation as to why they have not been used shall be included. Also included shall be the utility's schedule to acquire end-use information and to develop end-use forecasting techniques, or a demonstration that the acquisition of end-use information and the development of end-use forecasting techniques is impractical. The acquisition of end-use information and the development of end-use forecasting techniques would be found to be impractical if, based on the evidentiary record resulting from plan-specific proceedings, the costs of such development were found to outweigh the expected benefits over the long term planning horizon.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

Section 285.315 General Information Requirements Applicable for Gas Utilities

The information listed in this Section is required of gas utilities only.

- a) Most recent ILCC Form 21 (three copies).
- b) A list of each occurrence of a filing with other state or federal regulatory agencies, such as FERC, the Environmental Protection Agency, etc., during the last three years; provided, however, that proceedings regarding worker's compensation and unemployment compensation matters, as well as any applications or filings for vehicle or construction related licenses, registrations, permits, titles, or stickers, should not be reported. Filings to be included as a single item on the list are actions such as official docketed cases, rulemakings, compliance cases, enforcement actions, etc., and those individual reports, information or letters submitted outside of official cases and actions included above. The list will include the agency, the initial filing date, and a description of the filing.
- c) Most recent FERC Form 2.
- d) Provide forecasted peak design day, the estimated amount of available peak day supply and the reserve margin during the test year. List and explain all criteria used by the utility as a basis for each of these values and provide all associated work papers.

Section 285.320 General Information Requirements Applicable for Telecommunications Carriers Subject to this Part

The information listed in this Section is required of telecommunications carriers only.

- a) Most recent ILCC Form 23A (two copies).
- b) A list of all filings with outside regulatory agencies, such as the Federal Communications Commission (FCC), during the last three years, the date, and description of the filing.
- c) Most recent FCC Form M.

Section 285.325 General Information Requirements Applicable for Water and/or Sewer Utilities

The information listed in this Section is required of water and/or sewer utilities.

- a) Most recent ILCC Form 22 (two copies).
- b) A physical description of the utility system with current maps that show:
 - 1) Location and capacity of all wells and water treatment plants;
 - 2) Location and capacity of all storage facilities;
 - 3) Location and size of all water mains and sewage collection lines (Utilities serving more than 1,000 customers shall provide only an overall map

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- indicating the general size and location of mains with a detailed map available for review.); and
- 4) Design capacity and current utilization level of all sewage treatment plants.
- c) Monthly flows received at the sewage treatment plant for the last three years.
 - d) Peak day and peak hour (if available) water flows for the last three years.

SUBPART C: GENERAL INSTRUCTIONS FOR SCHEDULES AND WORK PAPERS

Section 285.400 Schedules

- a) In addition to filing the required schedules in a compatible electronic format, the minimum number of copies of the schedules listed in Subparts D through K, inclusive, submitted to the Director of the Financial Analysis Division at the time of filing proposed tariffs resulting in an increase in tariffed rates as defined in Section 285.130 shall be as follows:
 - 1) Seven copies of Subpart D (A Schedules), Subpart E (B Schedules), Subpart F (C Schedules), Subpart I (F Schedules), and Subpart J (H Schedules); and
 - 2) Two copies of Subpart G (D Schedules), Subpart H (E Schedules), and Subpart J (G Schedules).
- b) Schedules shall convey the information required by the standard information requirements. Schedules shall not be handwritten. Additional schedules shall be submitted as necessary to support the utility's request for a general rate increase; these schedules shall be identified by the next unassigned schedule number in the appropriate Section.
- c) Applicable data
 - 1) The schedules shall show total company data and applicable service data unless otherwise specified.
 - 2) A telecommunications carrier, at its option, may provide data on a total company basis (i.e., interstate and intrastate) or on an intrastate basis only. In the event the telecommunications carrier provides data on an intrastate basis, the determination of such data shall be in accordance with 47 CFR 36, "Standard Procedures for Separating Telecommunications Property Costs, Revenues, Expenses, Taxes and Reserves" (as of October 1, 2002). This incorporation does not include any later amendment or edition.
 - 3) The description of each schedule indicates the periods for which information shall be provided. The utility may provide the data on the number of pages necessary to provide the information.
 - 4) The prior year is defined as the 12 month period immediately preceding the test year. If a future test year is selected, the schedule shall indicate by

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

footnote the number of months of actual and forecasted data included within the first prior year.

Section 285.410 Work Papers

- a) A minimum of one copy, unless otherwise specified, of the work papers supporting the standard information requirements schedules shall be submitted to the Director of the Financial Analysis Division at the time of filing proposed tariffs resulting in an increase in tariffed rates as defined in Section 285.120. If the utility is requesting a change in electric and/or gas tariffs, the utility shall also deliver one copy of the above information to the Director of the Energy Division. If the utility is requesting a change in telecommunications tariffs, the utility shall also deliver one copy of the above information to the Director of the Telecommunications Division. To the extent work papers exist in electronic form, work papers shall be submitted in electronic form.
- b) The requirements of each schedule establish the minimum information to be provided as work papers. If additional information supports the testimony, exhibits, or schedules, the requirements of this Part shall not limit the information submitted.
- c) It is not necessary that work papers be prepared specifically to satisfy the requirements of this Part.
- d) If the required information is provided in testimony, it is appropriate to reference by footnote on the schedule the citation for the required information. Work papers reflecting duplicative information are not necessary.
- e) All work papers shall:
 - 1) Be referenced to the appropriate standard information requirement schedules in accordance with the work paper reference system described in Appendix A;
 - 2) Contain the name of the person responsible for the work paper and the date prepared; and
 - 3) Be cross-referenced wherever possible to minimize duplication of data.
- f) When assumptions are made in determining work paper schedule amounts, narrative or other support shall be included so that the reasonableness of the work paper can be reviewed.
- g) The referencing system described in Appendix A of this Part shall be used for all work papers. A maximum of six position codes shall be used; when positions 5 and 6 are not required, they shall be left blank.

SUBPART D: REVENUE AND FINANCIAL SUMMARY SCHEDULES

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

Section 285.1000 Schedule A-1: Summary of Standard Information Requirements

Schedule A-1 shall provide the following information:

- a) Utility name;
- b) Segment of operations and functional service (distribution, bundled, metering, etc.) requesting change in rates;
- c) Tariff filing date;
- d) Test year type;
- e) Test year;
- f) Utility representative, address, e-mail address, and telephone number to contact in regard to the tariff filing or the materials submitted pursuant to this Part;
- g) Alternate utility representative, address, e-mail address, and telephone number;
- h) Name, address, e-mail address, and telephone number of the utility's attorney to contact in regard to the tariff filing or the materials submitted pursuant to this Part;
- i) Change requested for the applicable service:
 - 1) Dollars;
 - 2) Percentage; and
- j) List of schedules, work papers, and general information requirements not provided, indicating whether the standard information requirement was waived, including date requested and date granted, whether the requirement was previously submitted, including to whom the information was previously submitted and the date, or whether the information is not applicable, including the reason that the information is not applicable.

Section 285.1005 Schedule A-2: Overall Financial Summary

- a) Schedule A-2 summarizes the calculation supporting the increase in revenue requirements requested by the utility for the test year. Provide the following information for each applicable service:
 - 1) Applicable service original cost rate base;
 - 2) Applicable service operating income at present rates;
 - 3) Applicable service rate of return;
 - 4) Cost of capital;
 - 5) Applicable service operating income at proposed rates;
 - 6) Applicable service income deficiency;
 - 7) Applicable service gross revenue conversion factor (before add-on charges for revenue taxes);
 - 8) Applicable service revenue increase requested; and
 - 9) Applicable service revenue increase including add-on revenue taxes.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- b) Where rates are being sought for more than one applicable service (e.g., electric bundled, gas bundled, gas delivery, electric metering, water, or sewer) or different rates for each jurisdictional service area (e.g., district, division), a separate A-2 shall be provided for each utility applicable service or service area.

Section 285.1010 Schedule A-2.1: Computation of Jurisdictional Gross Revenue Conversion Factor

Provide a detailed calculation of the jurisdictional gross revenue conversion factor used in Schedule A-2. Calculation shall be based on tax rates applicable to the test year.

Section 285.1015 Schedule A-3: Comparison of Present and Proposed Rates

- a) Data required from utilities, excluding telecommunications carriers by effective rate classification, on a jurisdictional pro forma basis:
 - 1) Average number of customers;
 - 2) Number of units sold;
 - 3) Revenue at present rates excluding add-on revenue taxes;
 - 4) Revenue at proposed rates excluding add-on revenue taxes;
 - 5) Difference in revenue, in dollars; and
 - 6) Percentage change in revenue.
- b) Data required from telecommunications carriers by accounting revenue classification, segregated between competitive and noncompetitive services (excluding non-regulated service revenues):
 - 1) Historical revenues;
 - 2) Revenue at present rates excluding add-on revenue taxes;
 - 3) Revenue at proposed rates excluding add-on revenue taxes;
 - 4) Difference in revenue, in dollars; and
 - 5) Percentage change in revenue.
- c) Where rates are being sought for more than one applicable service (e.g., electric bundled, gas bundled, gas delivery, electric metering, water, or sewer) or different rates for each jurisdictional service area (e.g., district, division), a separate A-3 shall be provided for each utility applicable service or jurisdictional service area.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

Section 285.1020 Schedule A-4: Comparison to Prior Rate Order

- a) Schedule A-4 compares jurisdictional information on Schedule A-2, Overall Financial Summary, with the findings by the Commission in the utility's prior rate order for the same utility applicable service and jurisdictional service area for which a change in rates is sought with this filing. Provide a brief explanation of changes in conditions from the prior rate order that necessitated the filing for a change in tariffed rates.
- b) Where rates are being sought for more than one applicable service (e.g., electric bundled, gas bundled, gas delivery, electric metering, water, or sewer) or different rates for each jurisdictional service area (e.g., district, division), a separate A-4 shall be provided for each utility applicable service or jurisdictional service area.

Section 285.1025 Schedule A-5: Jurisdictional Allocation Summary

Provide a jurisdictional allocation cost summary based on costs for the test year. The jurisdictional allocation summary shall allocate the test year costs of the total company to each of the utility's applicable services. Each applicable service and utility service for each service area where separate rates are maintained would be a separate jurisdictional service classification. In addition, utility services under each jurisdiction other than the Commission (e.g., FERC, FCC, another public utility commission) would be a separate jurisdictional service classification.

- a) Information provided on Schedule A-5 shall be in accordance with the following instructions:
 - 1) Costs shall be functionalized by account or group of similar accounts that are allocated on the same basis (Accounts shall be as defined by the Commission's Uniform System of Accounts, 83 Ill. Adm. Code 415 for the electric utilities; 83 Ill. Adm. Code 505 for the gas utilities; 83 Ill. Adm. Code 710 for the telecommunications carriers; 83 Ill. Adm. Code 605 for the water utilities; or 83 Ill. Adm. Code 650 for the sewer utilities.
 - 2) The total company costs allocated to each jurisdiction shall be consistent with the unadjusted total company balance at present rates reflected on Schedule C-1.
 - 3) All allocation factors used in the allocation of total company costs shall be listed, including factors for the Illinois jurisdiction and applicable service for which a requested increase in rates is being proposed and for each of the other jurisdictions.
- b) Supporting work papers shall include:
 - 1) Work papers supporting all allocations included in subsection (a); and
 - 2) A description of the allocation methodology that includes the following:
 - A) The derivation of all allocation factors; and

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- B) The basis for all direct assignments of costs in the study.
- c) Telecommunications carriers may satisfy the requirement for Schedule A-5 by providing a separations study that would allocate expenses and investment between its intrastate and interstate jurisdictions. Supporting work papers shall include the separations study.

SUBPART E: RATE BASE SCHEDULES

Section 285.2000 Rate Base Instructions

- a) Account classifications. All utilities, as applicable, must comply with the Uniform System of Accounts approved by the Commission as 83 Ill. Adm. Code 415, 505, 605, 650, and 710.
- b) Separate rate base schedules must be provided for each applicable service and for each service area for which separate tariffs exist (e.g., district, division, etc.) where a requested change in rates is being proposed.
- c) All schedules shall reflect data for the 12 month periods ending on the same date as the ending date of the test year.

Section 285.2005 Schedule B-1: Jurisdictional Rate Base Summary by ICC Account

- a) Schedule B-1 shall present, by ICC Account with appropriate subtotals, data for the jurisdiction for which a rate increase is requested for the test year. Where rates are being sought for more than one applicable service or for more than one service area (e.g., district, division), a separate B-1 shall be provided for each utility service type and/or service area. Information provided shall include:
 - 1) ICC Account number;
 - 2) ICC Account description;
 - 3) Amount included in the unadjusted test year jurisdictional rate base;
 - 4) Amounts of any adjustments; and
 - 5) Amount included in the pro forma jurisdictional balance.
- b) The presentation of each rate base component shall include the unadjusted total company balance, the total of all adjustments to each rate base component, and the applicable service pro forma balance. The source for the unadjusted balance shall be the general ledger for a historical test year as defined in 83 Ill. Adm. Code 287 or the utility's forecast for a future test year as defined in 83 Ill. Adm. Code 287. The resulting jurisdictional pro forma balance shall represent that level of rate base investment attributable to the provision of services to jurisdictional customers.
- c) The components of rate base shall include, but not be limited to, the following:
 - 1) Gross utility plant in service at original cost;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 2) Reserve for accumulated depreciation;
 - 3) Net utility plant in service;
 - 4) Other individual items comprising rate base separately listed, such as working capital, construction work in progress included in rate base, customer advances, and accumulated deferred income taxes; and
 - 5) Total rate base.
- d) All items shall be supported by schedules. If the item requires a schedule other than as described by the standard information requirements, a schedule shall be provided that includes the following:
- 1) Dollars involved by account; and
 - 2) Reasons for additions or deletions to rate base.
- e) If the rate base components of a future test year are not derived from average data for the test year or from monthly average data, provide work papers supporting Schedule B-1 that reflect the 13 month-end balances of all rate base items commencing with the month-end balance for the month prior to the beginning of the test year and ending with the month-end balance for the last month of the test year.

Section 285.2010 Schedule B-2: Summary of Utility Adjustments to Rate Base

Provide the individual adjustments to rate base included within the aggregated total adjustment amount reflected on Schedule B-1. Each adjustment shall indicate the impact upon each component of rate base. Reference each adjustment to the appropriate supporting schedule. The adjustment to remove the non-jurisdictional portion of rate base, if appropriate, shall be included within the aggregated total adjustment.

Section 285.2015 Schedules B-2.1, 2, 3, etc.: Detailed Adjustments to Rate Base

- a) Provide for each adjustment included on Schedule B-2 a separate schedule showing:
 - 1) Title of adjustment;
 - 2) Description of adjustment;
 - 3) Summary calculations supporting the adjustment;
 - 4) Reference to supporting work paper; and
 - 5) Adjustment amounts by ICC Account.
- b) Provide the work papers supporting each adjustment.

Section 285.2020 Schedule B-3: Comparative Balance Sheet for Prior Three Years and the Test Year

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

Provide the total utility summary balance sheet for the test year, and for each of the three consecutive years immediately preceding the test year, with the ending date of all the years provided being on the same date of the same month.

Section 285.2025 Schedule B-4: Summary of Adjustments to Plant in Service

- a) For the test year, provide the unadjusted total company balance of plant in service by individual plant account; each adjustment to plant in service by individual plant account; and the adjusted jurisdictional plant in service by individual plant account. The total plant in service balances shall agree with balances reflected on Schedule B-1.
- b) For future test years, the test year plant in service and all adjustments may be provided by function, if individual plant account information is not available.

Section 285.2030 Schedule B-5: Gross Additions, Retirements, and Transfers

- a) For the test year and each of the three consecutive years immediately preceding the test year, provide for each plant function an analysis of the unadjusted total company balance of plant in service.
- b) Information provided shall include:
 - 1) Title of plant function;
 - 2) Beginning plant balances;
 - 3) Gross additions during the test year;
 - 4) Retirements during the test year;
 - 5) Transfers during the test year;
 - 6) Ending plant balances; and
 - 7) Explanation for the transfer.

Section 285.2035 Schedule B-5.1: Gains and Losses on Sales of Property

- a) Provide information on each item of real property sold since the utility's most recent filing for a change in tariff rates, where the original cost of the property sold exceeds 0.1% of total gross plant in service as shown for the test year on Schedule B-1.
- b) Information provided shall include:
 - 1) Date property was sold;
 - 2) Description of property sold;
 - 3) Name of purchaser;
 - 4) Sales price;
 - 5) Book cost of property;
 - 6) Gain or loss on sale of property; and

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 7) Reason for sale.

Section 285.2040 Schedule B-5.2: Property Merged or Acquired from Other Utilities

- a) Provide a list of all transactions over \$100,000 where utility property is either merged or acquired from other utilities since the last rate case. The \$100,000 floor applies to the entire transaction without regard to individual accounts or to individual units of property. Explain how the property was entered into plant property records (e.g., entered at original cost, purchase price in year of purchase, original cost less accrued book depreciation in year of purchase, etc.). Also, describe the accounting treatment of any acquisition adjustments by footnote.
- b) Information provided shall include:
 - 1) Account number, group or function;
 - 2) Description of property;
 - 3) Acquisition cost;
 - 4) Cost basis;
 - 5) Acquisition adjustment;
 - 6) Commission approval date;
 - 7) Docket number of order approving the transaction;
 - 8) Date of acquisition; and
 - 9) Explanation of accounting treatment.

Section 285.2045 Schedule B-5.3: Leased Property Included in Rate Base

- a) Provide a list of all properties leased to the utility, with annual lease payments greater than \$100,000, that are included in the rate base reflected on Schedule B-1.
- b) Information provided for each leased property shall include:
 - 1) Identification or reference number;
 - 2) Description of type and use of property;
 - 3) Name of lessor;
 - 4) Frequency of payments;
 - 5) Amount of lease payment;
 - 6) Annual lease payment;
 - 7) Amount included in the test year rate base; and
 - 8) Amount included in the test year operating expense.

Section 285.2050 Schedule B-6: Depreciation Reserve

- a) For the test year and each of the three consecutive years immediately preceding the test year, provide detail of the depreciation reserve by major account number. If

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

detail is not available by major account number, provide the required detail by plant function. In the case of electric utilities, this reserve shall be adjusted as required to account for depreciation expense computed in accordance with 83 Ill. Adm. Code 287.130.

- b) Information provided shall include:
 - 1) Major account number;
 - 2) Beginning balance;
 - 3) Depreciation expense;
 - 4) Retirements;
 - 5) Other, such as transfers or sale of asset;
 - 6) Ending balance; and
 - 7) General description of other (subsection (b)(5)).

Section 285.2055 Schedule B-7: Construction Work in Progress

- a) Provide information required by subsection (b) for each construction project included in Construction Work in Progress (CWIP) for the test year rate base that exceeds 5% of the total CWIP balance for the test year. If the CWIP project is not in rate base, the information is not required.
- b) Information provided shall include:
 - 1) Project number;
 - 2) Description of project;
 - 3) Direct costs of construction through the end of the test year;
 - 4) Allowance for funds used during construction (AFUDC) or interest during construction (IDC) for telecommunications carriers capitalized through the end of the test year;
 - 5) Other indirect costs through the end of the test year;
 - 6) Total cost of construction project through the end of the test year; and
 - 7) Amount included in the test year jurisdictional rate base.

Section 285.2060 Schedule B-7.1: Construction Work in Progress Percent Complete

- a) For the projects identified in Schedule B-7, provide information to determine the estimated percent complete, or for a future test year, expected to be complete, at the end of the test year.
- b) Information provided shall include:
 - 1) Project number;
 - 2) Description of project;
 - 3) Date project started;
 - 4) Most recent estimated project completion date;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 5) Original budget estimate;
- 6) Most recent revised estimate;
- 7) Accumulated construction costs; and
- 8) Percent complete (the amount in subsection (b)(7) divided by the amount in subsection (b)(6) x 100).

Section 285.2065 Schedule B-7.2: Allowance for Funds Used During Construction

- a) Provide information concerning AFUDC for each of the three consecutive years immediately preceding the test year and the test year.
- b) Information provided shall include:
 - 1) Amount of AFUDC generated;
 - 2) Amount of AFUDC transferred to plant in service;
 - 3) AFUDC rate; and
 - 4) General narrative summary of the utility's AFUDC policy.
- c) Supporting work papers shall include detail of AFUDC for the 12 months of the test year. This detail shall include:
 - 1) Month;
 - 2) Total CWIP balance;
 - 3) CWIP balance accruing AFUDC;
 - 4) CWIP balance not accruing AFUDC;
 - 5) AFUDC accrual rate; and
 - 6) AFUDC generated.
- d) Telecommunications carriers shall provide the information required in this Section for IDC rather than AFUDC.

Section 285.2070 Schedule B-8: Cash Working Capital

- a) Provide a summary schedule showing the calculation of cash working capital, if included in rate base by the utility, for the test year. Show each individual component and describe the methodology used to calculate each component.
- b) Work papers supporting Schedule B-8 shall include the supporting documentation of the calculation. If the cash working capital request is based upon a lead-lag study, the lead-lag study shall be provided on a jurisdictional basis and included as work papers.

Section 285.2075 Schedule B-8.1: Materials and Supplies

- a) Each utility requesting a materials and supplies allowance in rate base shall provide the monthly balances used to derive the average balance of materials and supplies

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

for each of the three consecutive years immediately preceding the test year and the test year.

- b) Information provided shall include:
 - 1) Month;
 - 2) Balance of materials and supplies; and
 - 3) Balance of accounts payable associated with materials and supplies.

Section 285.2080 Schedule B-9: Accumulated Deferred Income Taxes

- a) Provide a listing of all components of accumulated deferred income taxes for the test year. This listing shall include both the debit and credit amounts of prepaid taxes and accumulated deferred income taxes.
- b) If the future test year average plant-in-service is calculated using monthly average balances, then provide the monthly average balances for each component of accumulated deferred income taxes and compute monthly average data for each component of accumulated deferred income taxes.
- c) Information provided shall include:
 - 1) Component of accumulated deferred income taxes;
 - 2) ICC Account number of the component;
 - 3) Utility's account number of the component;
 - 4) Description of any specific event that initiated the recording of component;
 - 5) Beginning State deferred tax balance (Identify as either a debit or credit amount. Credit amounts shall be displayed within parentheses.);
 - 6) Ending State deferred tax balance;
 - 7) Average State deferred tax balance (if a future test year is being used);
 - 8) Beginning federal deferred tax balance (Identify as either a debit or credit amount. Credit amounts shall be displayed within parentheses.);
 - 9) Ending federal deferred tax balance;
 - 10) Average federal deferred tax balance (if a future test year is being used);
 - 11) Beginning total deferred tax balance;
 - 12) Ending total deferred tax balance; and
 - 13) Average total deferred tax balance (if a future test year is being used).
- d) Accumulated deferred income taxes attributable to the accelerated depreciation of public utility property may be summarized into one component for each major account.

Section 285.2085 Schedule B-9.1: Detailed Listing of Balance Sheet Assets and Liabilities

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- a) Provide information for the balance sheet asset and liability accounts associated with each component of accumulated deferred income taxes listed on Schedule B-9 for the test year.
- b) Information provided shall include (If the future test year average plant-in-service is calculated using monthly balances, then provide the monthly balances for each component of accumulated deferred income taxes and compute the average based upon the monthly balances.):
 - 1) The component of accumulated deferred income taxes listed on Schedule B-9;
 - 2) ICC Account number for the balance sheet asset or liability account associated with the component of accumulated deferred income taxes;
 - 3) Utility's account number for the balance sheet asset or liability account associated with the component of accumulated deferred income taxes;
 - 4) Beginning balance of the asset or liability;
 - 5) Ending balance of the asset or liability;
 - 6) Average balance (if a future test year is being used); and
 - 7) An indication of whether each asset or liability is included in rate base.
- c) For each asset or liability listed, provide as work papers supporting this schedule:
 - 1) A description of the rationale for including or not including the test year balance of this asset or liability in rate base;
 - 2) The work papers supporting the computation of accumulated deferred income taxes for this asset or liability; and
 - 3) The work papers supporting the calculation pertaining to the test year change in the amount of accumulated deferred income taxes attributable to this asset or liability.
- d) The balance sheet components pertaining to the accumulated deferred income taxes attributable to the accelerated depreciation of public utility property may be summarized into a single component for each major account of accumulated deferred income taxes.
- e) If a corresponding balance sheet asset or liability account does not exist for a particular component (e.g., basis difference) of accumulated deferred income taxes, provide a description of the events and circumstances that created this particular component of accumulated deferred income taxes.

Section 285.2095 Schedule B-10: Deferred Charges

Provide information concerning each deferred charge item included in rate base for each of the three years immediately preceding the test year and the test year:

- a) Description;
- b) Time period charges were recorded;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- c) Amortization period;
- d) ICC Docket Nos., if any, authorizing recording and/or recovery of the deferred charge;
- e) Deferred charge balance at beginning of year;
- f) Deferred charge balance at end of year;
- g) Deferred charge balance in rate base; and
- h) Amortization expense.

Section 285.2100 Schedule B-11: Property Held for Future Use Included in Rate Base

- a) List all property held for future use included in rate base on Schedule B-1. Listed property shall not include any item included in plant in service in rate base at the pro forma balance on Schedule B-1.
- b) Information provided shall include:
 - 1) Description and location of property;
 - 2) Date of acquisition;
 - 3) Original cost;
 - 4) Accumulated depreciation;
 - 5) Net original cost;
 - 6) Revenue included in test year:
 - A) Amount;
 - B) Account number;
 - C) Description;
 - 7) Expenses included in test year:
 - A) Amount;
 - B) Account number;
 - C) Description;
 - 8) Planned or expected in-service date; and
 - 9) Planned or expected use of property.

Section 285.2105 Schedule B-12: Analysis of Activity in Property Held for Future Use

- a) Provide an analysis of activity in the account, Property Held for Future Use, for each of the three consecutive years immediately preceding the test year and the test year.
- b) Information provided shall include:
 - 1) Year;
 - 2) Beginning balance;
 - 3) Additions;
 - 4) Transfers;
 - 5) Ending balance;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 6) Revenue realized from property; and
- 7) Expenses incurred on property.
- c) Supporting work papers shall include an explanation of all additions and transfers. This description shall include:
 - 1) Description of property;
 - 2) Description of transaction; and
 - 3) Amount.

Section 285.2110 Schedule B-13: Customer Deposits

For each of the three consecutive years immediately preceding the test year and the test year, provide jurisdictional customer deposit monthly balances, amount of interest accrued, and the account charged.

Section 285.2115 Schedule B-14: Budget Payment Plan Balances

- a) For each month of the three consecutive years immediately preceding the test year and the test year, provide jurisdictional budget payment plan information. A budget payment plan is any plan offered by a utility that is intended to equalize a customer's monthly payments for utility service.
- b) Information provided shall include:
 - 1) Monthly balances;
 - 2) Amount of interest accrued; and
 - 3) Account charged.

Section 285.2200 Schedule B-15: Additions to and Transfers from Customer Advances and Contributions in Aid of Construction – Water and/or Sewer Utilities

- a) Provide detail of activity in the customer advances account and the contributions in aid of construction account for each of the three consecutive years immediately preceding the test year and the test year.
- b) Information provided shall include:
 - 1) Balance of each account at beginning of the period;
 - 2) Amount of additions during the year;
 - 3) Amount of refunds during the year;
 - 4) Amount of transfers during the year; and
 - 5) Balance of account at end of period.

SUBPART F: OPERATING INCOME SCHEDULES

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

Section 285.3000 Operating Income Instructions

- a) Account classifications. All utilities shall comply with the applicable Uniform System of Accounts (83 Ill. Adm. Code 415, 505, 605, 650, or 710). Schedules shall not include revenues and expenses resulting from non-regulated activities.
- b) Schedules shall present information on a total company basis and on an applicable service basis, unless otherwise specified. If the utility maintains separate books for each service area for which separate tariffs exist (e.g., district, division, etc.), the schedules shall present information for each service area for which a change in rates is requested. In addition, if common rates are requested for a service area for which separate tariffs currently exist, the utility shall present information for each service area requesting common rates and the combined service areas requesting common rates.
- c) Separate operating income schedules must be provided for each applicable service and for each service area for which separate tariffs exist (e.g., district, division, etc.) where a requested increase in rates is being proposed for each, or separate service area.
- d) All schedules shall reflect data for comparable 12 month periods ending on the same ending date as the ending date of the test year.
- e) If a historical test year is proposed by the utility, the information required by the specified Sections shall be provided for the test year and each of the three consecutive years immediately preceding the test year. If a future test year is proposed by the utility, the information required by the following Sections shall be provided for the test year and each of the three consecutive years immediately preceding the test year. The Sections affected by this requirement are Sections 285.3025, 285.3135, 285.3160, 285.3220, and 285.3225.

Section 285.3005 Schedule C-1: Jurisdictional Operating Income Summary

- a) Schedule C-1 shall present, by ICC Account with appropriate subtotals, data for the jurisdiction for which a rate increase is requested for the test year. Where rates are being sought for more than one type of utility service (e.g., electric and gas, water and sewer) or different rates are being sought for different service areas (e.g., district, division), a separate Schedule C-1 shall be provided for each utility service type and/or service area.
- b) The presentation of the operating income statement shall include ICC Account number, the account description, the unadjusted total company balance at present rates, the total of all adjustments, the jurisdictional balance at present rates, the requested rate increase, and the jurisdictional pro forma at proposed rates. The source for the unadjusted balance at present rates shall be the general ledger for a

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

historical test year or the utility's forecast for a future test year (see 83 Ill. Adm. Code 287). The jurisdictional balance for each item shall represent the amount attributable to the provision of services to jurisdictional customers.

- c) Information provided by major categories shall include, but is not limited to, the following:
- 1) Operating revenue;
 - 2) Operation and maintenance expenses;
 - 3) Depreciation expense;
 - 4) Taxes other than income;
 - 5) Federal income taxes;
 - 6) State income taxes;
 - 7) Total operating expenses; and
 - 8) Income available from jurisdictional operations.

Section 285.3010 Schedule G2: Summary of Utility Proposed Adjustments to Operating Income

Provide individual adjustments to operating income included within the aggregated total adjustment amount reflected on Schedule C-1. Each adjustment shall indicate the impact upon each element of operating income. Reference each adjustment to the appropriate supporting schedule. The adjustment to remove the non-jurisdictional portion, if appropriate, shall be included within the aggregated total adjustment.

Section 285.3015 Schedules C-2.1, 2, 3, etc.: Detailed Adjustments to Operating Income

- a) Provide for each proposed adjustment included on Schedule C-2 a separate schedule showing:
- 1) The title of adjustment;
 - 2) Description of the adjustment;
 - 3) Summary calculations supporting the adjustment;
 - 4) Reference to supporting work paper; and
 - 5) Adjustment amounts by ICC Account.
- b) Provide work papers supporting each adjustment.

Section 285.3020 Schedule C-3: Sales Statistics

- a) Provide information on sales statistics by customer classification for the most recent three historical years and the test year.
- b) Information provided for each customer classification shall include:
- 1) Total company revenues;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 2) Total company sales volume;
- 3) Revenues derived from sales subject to the jurisdiction of the Commission;
and
- 4) Volume of sales subject to the jurisdiction of the Commission.

Section 285.3025 Schedule C-4: Comparative Operating Income Statements for Prior Years and the Test Year

- a) Provide comparative operating income statements by ICC account number, with operation and maintenance shown by individual operation and maintenance expense account (or by utility responsibility area, budget item, or utility account number, if utility responsibility areas, budget items, or account numbers are in similar detail or greater detail when compared to ICC account numbers). The number of years of information provided shall be according to the test year proposed as directed in Section 285.3000(e).
- b) Information provided for each year shall include:
 - 1) Account number;
 - 2) Account description; and
 - 3) Account balance.

Section 285.3035 Schedule C-5: Income Taxes

- a) Provide the calculation of federal and State income tax expense. Include an itemization of all differences between operating income shown on Schedule C-1 and taxable income as shown on this schedule. Present in detail the computations of the test year income taxes showing additions and deductions to book results, all deferred taxes, investment tax credits generated, investment tax credits amortized, and resultant current provisions for income taxes.
- b) A utility whose Illinois State income taxes are filed with the Illinois Department of Revenue as a member of a unitary business group shall provide:
 - 1) Data supporting the utility's apportionment factor in work papers supporting this schedule; and
 - 2) An explanation of the utility's calculation of its test year State income tax rate including a description of the use of the utility's apportionment factor in the calculation of the test year State income tax rate.

Section 285.3040 Schedule C-5.1: Consolidated Federal Income Tax Return

If the utility is part of an affiliated group of companies and its federal income tax return is filed as part of a consolidated federal income tax return, provide statements describing:

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- a) The procedure used to allocate the consolidated federal income tax liability;
- b) The benefits, if any, of the consolidated filing of the federal income tax return to the utility; and
- c) The impact of the benefits, if any, of filing the consolidated federal income tax return on the utility's books.

Section 285.3045 Schedule C-5.2: Deferred Income Tax Expense

Provide a detailed schedule showing the calculation of deferred income tax expense presented on Schedule C-5.

Section 285.3050 Schedule C-5.3: Differences between Book and Tax Depreciation

Provide a schedule showing the calculation of the differences between book and tax depreciation for the test year and the calculation of the deferred income taxes attributable to these differences.

Section 285.3055 Schedule C-5.4: Interest Synchronization

- a) Provide a schedule calculating synchronized interest and the components of interest expense that was used for computing test year income tax expense.
- b) Information provided for the calculation of synchronized interest shall include:
 - 1) Original cost rate base;
 - 2) Weighted cost of debt; and
 - 3) Synchronized interest.
- c) Information provided for components of interest expense that was used for computing test year income tax expense shall include:
 - 1) ICC account number;
 - 2) Utility's account number;
 - 3) Description of interest expense item; and
 - 4) Amount.
- d) The amounts shall be aggregated. The total amount is the amount of interest expense used in calculating test year income taxes. If the amount of synchronized interest is the only interest amount used in the computation of test year income taxes, the utility needs to provide only the information required by subsection (b).

Section 285.3060 Schedule C-5.5: Investment Tax and Job Development Credits

For the test year, provide a schedule of additions to and amortization of unamortized investment tax credits and job development credits.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

Section 285.3065 Schedule C-6: Social and Service Club Membership Dues

- a) Provide the social and service club membership dues for each of the three consecutive years immediately preceding the test year for the total company, the test year for the total company, and the test year jurisdictional pro forma at proposed rates on Schedule C-1.
- b) Information provided shall include:
 - 1) Account number;
 - 2) Account description;
 - 3) Payee;
 - 4) Amount; and
 - 5) Purpose and nature of the organization.
- c) Items under \$1,000 each may be provided in total.
- d) Items charged to non-operating expenses may be listed in the aggregate.

Section 285.3066 Schedule C-6.1: Industry Association Dues

- a) Provide the industry association dues for each of the three consecutive years immediately preceding the test year for the total company, the test year for the total company, and the test year jurisdictional pro forma at proposed rates on Schedule C-1.
- b) Information provided shall include:
 - 1) Account number;
 - 2) Account description;
 - 3) Payee;
 - 4) Amount; and
 - 5) Purpose and nature of the organization.
- c) For utilities with annual revenues of \$25 million and less, items under \$50,000 need not be reported individually and, for utilities with annual revenues of more than \$25 million, items under \$250,000 need not be reported individually.
- d) Items charged to non-operating expenses may be listed in the aggregate.

Section 285.3068 Schedule C-6.2: Expenses for Outside Professional Services

- a) Provide the expenses for outside professional services for each of the three consecutive years immediately preceding the test year for the total company, the test year for the total company, and the test year jurisdictional pro forma at proposed rates on Schedule C-1.
- b) Information provided shall include:
 - 1) Account number;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 2) Account description;
 - 3) Payee;
 - 4) Amount; and
 - 5) Purpose and nature of the outside service provided.
- c) Items under \$50,000 each may be provided in total.
 - d) Items charged to non-operating expenses may be listed in the aggregate.

Section 285.3070 Schedule C-7: Charitable Contributions

- a) Provide the charitable contributions for each of the three consecutive years immediately preceding the test year for the total company, the test year for the total company, and the test year jurisdictional pro forma at proposed rates reflected on Schedule C-1.
- b) Information provided shall include:
 - 1) Account number;
 - 2) Account description;
 - 3) Payee;
 - 4) Amount; and
 - 5) Purpose and nature of the organization.
- c) Items under \$5,000 each may be provided in total.
- d) Items charged to non-operating expenses may be listed in the aggregate.

Section 285.3075 Schedule C-8: Demonstration and Selling, Advertising, and Miscellaneous Sales Expenses

- a) Provide information on demonstration and selling, advertising, and miscellaneous sales expenses for the test year.
- b) Information provided shall include:
 - 1) Account number;
 - 2) Account description;
 - 3) Test year expense;
 - 4) Ratemaking adjustments for disallowable political, promotional, goodwill and institutional advertising; and
 - 5) Expense included on Schedule C-1 to derive pro forma operating income at present rates.
- c) Work papers for electric and gas utilities shall support the amount provided for in accordance with the requirements of 83 Ill. Adm. Code 295.40.
- d) Work papers for telecommunications carriers, water, and sewer utilities shall include copies of advertising programs and scripts supporting the total amount provided.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

Section 285.3080 Schedule C-9: Civic, Political and Related Activities

- a) List the total expenditures reported under the Lobbyist Registration Act [25 ILCS 170] for each of the three consecutive years immediately preceding the test year for the total company, projected for the test year for the total company, and test year jurisdictional pro forma at proposed rates on Schedule C-1. See Section 9-224 of the Act [220 ILCS 5/9-224].
- b) List the total expenditures made for political activity, monitoring of legislation and influencing legislation that are identified in subsection (a).
- c) Information required by subsections (a) and (b) shall be provided for the test year jurisdictional pro forma at proposed rates on Schedule C-1 in the following format:
 - 1) Account number;
 - 2) Account description;
 - 3) Payee;
 - 4) Amount; and
 - 5) Purpose and nature of recipient of expenditure.
- d) Items under \$5,000 each may be provided in total.

Section 285.3085 Schedule C-10: Rate Case Expense

- a) Provide detail of the total projected expenses associated with the instant rate case. The detail shall include the expenses of the instant rate case and the amount included in test year jurisdictional operating expense at proposed rates on Schedule C-1 for the following categories:
 - 1) Outside consultants or witnesses;
 - 2) Outside legal services;
 - 3) Paid overtime;
 - 4) Other expenses; and
 - 5) Total expense.
- b) The information provided for each outside consultant or witness and each outside legal service shall include:
 - 1) Name;
 - 2) Estimated fee;
 - 3) Basis of charge;
 - 4) Travel expenses;
 - 5) Other expenses;
 - 6) Projected total expenses of instant rate case;
 - 7) Type of service rendered;
 - 8) Specific service rendered; and

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 9) Amount included in test year jurisdictional operating expense at proposed rates on Schedule C-1.
- c) Provide by footnote:
 - 1) A description of the costs associated with the category, other expenses; and
 - 2) An explanation of the calculation of the costs associated with the category, paid overtime.
- d) If amortization of previous rate case expenses are included within test year jurisdictional operating expense at proposed rates on Schedule C-1, provide the amount of amortization expense associated with each rate case by docket number.

Section 285.3090 Schedule C-10.1: Rate Case Expense Comparisons

- a) Provide a comparison of current rate case expense with the rate case expense of the utility's last rate case filed with this Commission.
- b) Information provided shall include:
 - 1) Description of the previous rate case, specifically, the applicable service for which the change in rates was sought;
 - 2) Outside consultants or witnesses;
 - 3) Outside legal services;
 - 4) Paid overtime;
 - 5) Other expenses; and
 - 6) Total expense.
- c) If the comparison indicates a 20% or greater difference between the actual cost of the previous case and the projected cost of the current case, provide an explanation of the difference.

Section 285.3105 Schedule C-11.1: Direct Payroll by Function

Provide the total direct payroll charged to the following categories for the three consecutive years immediately preceding the test year and the test year ("E" denotes information applicable to electric utilities; "G" denotes information applicable to gas utilities; "W" denotes information applicable to water and/or sewer utilities; and "(All)" denotes information applicable to all utilities):

- a) Power production (E), Gas supply (G), Source of supply (W);
- b) Transmission (E), Storage (G), Water treatment (W);
- c) Distribution (E & G), Transmission and Distribution (W);
- d) Customer accounts (All);
- e) Sales (All);
- f) Administrative and General (All);
- g) Total payroll charged to expense (sum of items in subsections (a) through (f));
- h) Total payroll charged to construction; and

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- i) Total payroll (sum of items in subsections (g) and (h)).

Section 285.3115 Schedule C-11.2: Number of Employees

- a) Schedule C-11.2 shall provide the actual number of employees by department for each month of the three consecutive years immediately preceding the test year, for which actual data exists, and the test year. Information shall include:
 - 1) Number of full time employees;
 - 2) Number of part time employees;
 - 3) Number of full time equivalents for part time employees (i.e., if a full time employee is defined as working 40 hours per week, then part time, non-overtime hours divided by 40 would yield the number of full time equivalents); and
 - 4) Total full time equivalents (sum of items in subsections (a)(1) and (a)(3)).
- b) Schedule C-11.2 shall list the authorized number of employees by department included in each month of the three consecutive years immediately preceding the test year, for which actual data exists, and the test year. Authorized number is defined as that number of positions authorized and approved by the company's officers and/or board of directors to be hired or filled during that month. Information shall include:
 - 1) Number of full time employees;
 - 2) Number of part time employees;
 - 3) Number of full time equivalents for part time employees (i.e., if a full time employee is defined as working 40 hours per week, then part time, non-overtime hours divided by 40 would yield the number of full time equivalents); and
 - 4) Total full time equivalents (sum of items in subsections (b)(1) and (b)(3)).

Section 285.3135 Schedule C-11.3: Employee Benefits

- a) Provide a listing of all benefits provided to employees other than wages and salaries. For purposes of this Section, employment taxes and worker's compensation insurance expense are not employee benefits. The number of years of information provided shall be according to the test year proposed as directed in Section 285.3000(e).
- b) Information provided shall include:
 - 1) A description of the employee benefit that may include, but is not limited to, insurance coverage, including health, dental, life, etc., employee welfare programs, such as savings plans, education, etc., and other benefits;
 - 2) For each benefit, identify the employee classification (e.g., all executives, all union, pipefitters local, salaried, etc.) receiving the benefit;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 3) Cost associated with each benefit;
 - 4) Total cost of all benefits;
 - 5) Amount expensed for all benefits;
 - 6) Percentage of total benefits expensed;
 - 7) Amount capitalized for all benefits; and
 - 8) Percentage of total benefits capitalized;
- c) Information provided for each employee benefit listed in subsection (b) for the test year shall include:
- 1) Amount capitalized;
 - 2) Percentage capitalized;
 - 3) Amount expensed; and
 - 4) Percentage expensed.

Section 285.3140 Schedule C-11.4: Reconciliation of Estimated Overhead and Clearing Costs with Actual Costs

For utilities that record estimates of overhead and clearing costs, provide a reconciliation of the estimated overhead and clearing costs with the actual overhead and clearing costs for each of the three consecutive years immediately preceding the test year for which actual data exists.

Section 285.3145 Schedule C-12: Depreciation Expense

- a) Provide the calculation of depreciation expense by functional account grouping of plant in service for the test year and each of the three consecutive years immediately preceding the test year.
- b) Information provided shall include:
 - 1) Functional account grouping;
 - 2) Account description;
 - 3) Amount of plant investment to which depreciation rate is applied;
 - 4) Composite depreciation rate; and
 - 5) Depreciation expense.
- c) Supporting work papers shall provide the assumptions used to derive the composite depreciation rate for the test year.

Section 285.3150 Schedule C-13: Summary of Affiliated Interest Transactions

- a) Provide a list of all affiliated interest transactions for each of the three consecutive years immediately preceding the test year and the test year. Also, provide information on any contracts for future years. Items similar in nature and reoccurring may be grouped as a single line item.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- b) Information provided shall include:
 - 1) Date of transaction or transaction period and company or individual;
 - 2) Nature of transactions;
 - 3) Dollar amount of transactions; and
 - 4) Docket number granting approval.

Section 285.3155 Schedule C-14: Operating Leases

- a) List all operating leases for which the annual expense to be charged to operating expense or expected to be charged to operating expense is the greater of either \$150,000 or .1% of the total operations and maintenance expense for the respective year for each of the three consecutive years immediately preceding the test year and the test year. Information provided for each listed operating lease shall include:
 - 1) ICC account charged with the lease expense;
 - 2) Description of leased property;
 - 3) Amount of annual lease expense; and
 - 4) Period of lease agreement.
- b) Provide the total annual lease expense of all operating leases for each of the three consecutive years immediately preceding the test year and the test year.

Section 285.3160 Schedule C-15: Major Maintenance Projects

- a) By function, list all maintenance projects included in jurisdictional operating expense with a cost exceeding the lesser of \$500,000 or 1% of the operations and maintenance expenses for that function. The number of years of information provided shall be according to the test year proposed as directed in Section 285.3000(e).
- b) A "maintenance project" is defined as a specific undertaking or assignment related to the maintenance of the utility's system; e.g., the internal sealing of a particular segment of main, the repainting of tanks, the refurbishing of a particular area of a facility, etc., that represents a level of activity beyond normal maintenance activity.
- c) Information provided shall include:
 - 1) Description of, and reason for, the project;
 - 2) Facility on which the maintenance is being performed;
 - 3) Project dates;
 - 4) Total project cost;
 - 5) Amount expensed in test year;
 - 6) Amount expensed in prior year;
 - 7) ICC expense account number; and
 - 8) Date of last similar maintenance performed on the same facility.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

Section 285.3165 Schedule C-16: Uncollectible Expense

- a) Provide information on jurisdictional uncollectible expense for each of the three consecutive years immediately preceding the test year and the test year.
- b) Information provided shall include:
 - 1) The method of determining uncollectible expense. If using the percent of revenue method, include:
 - A) Revenue used in calculation;
 - B) Uncollectible expense; and
 - C) Uncollectible expense as a percentage of revenue.
 - 2) Activity in the Allowance for Bad Debts:
 - A) Beginning of year balance;
 - B) Reserve accrual;
 - C) Write-offs during the year;
 - D) Recoveries during the year;
 - E) Adjustments;
 - F) Explanation of adjustment; and
 - G) End of the year balance.
 - 3) Expense in the test year and each of the three consecutive years immediately preceding the test year for all outside collection agencies.
- c) Provide a summary of each current collection agency's contract and the results obtained from the efforts to collect from those contracts.

Section 285.3170 Schedule C-17: Insurance Expense

- a) List all insurance policies to which the utility has been a party for each of the three consecutive years immediately preceding the test year or will be a party in the test year. Insurance policies shall include both group insurance and insurance on operations.
- b) The information provided shall include:
 - 1) Name of carrier;
 - 2) Type of policy;
 - 3) Amount of coverage;
 - 4) Annual premium;
 - 5) Deductible; and
 - 6) Claims.
- c) If self insured, provide a description of all self insurance.

Section 285.3175 Schedule C-18: Taxes Other Than Income Taxes

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- a) Provide a listing of all taxes other than income for each of the three consecutive years immediately preceding the test year and the test year.
- b) Information provided for each type of tax shall include:
 - 1) Type of tax;
 - 2) Amount charged to operating expense;
 - 3) Amount charged to clearing accounts;
 - 4) Amount charged to construction;
 - 5) Other; and
 - 6) Total tax recorded.
- c) Supporting work papers shall include the calculation of the average balance of accrued property taxes for each of the three consecutive years immediately preceding the test year and the test year. The calculation shall list monthly balances used to derive the average balance.

Section 285.3180 Schedule C-19: Property Taxes

- a) Provide a schedule of property taxes for each of the three consecutive years immediately preceding the test year and the test year.
- b) Information provided shall include:
 - 1) Amount charged to operating expenses; and
 - 2) Account number.

Section 285.3185 Schedule C-20: Local Taxes, Municipal Taxes, and Franchise Taxes

- a) For each of the three consecutive years immediately preceding the test year and the test year, provide a schedule of all local taxes, municipal taxes, and franchise taxes embedded in tariffed rates, except for property taxes that are provided on Schedule C-19 and the add-on taxes provided on Schedule C-25. Each type of tax or fee may be aggregated; if the utility aggregates each type of tax or fee, the utility shall also provide, for each type of tax or fee, the specific details for the ten largest amounts passed on to customers.
- b) Information provided shall include:
 - 1) Description and location of tax;
 - 2) Taxing authority;
 - 3) Effective tax rate;
 - 4) Basis;
 - 5) Total tax assessed to utility;
 - 6) Amount passed on to customers;
 - 7) Amount charged to operating expenses;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 8) ICC Account;
 - 9) Foregone discounts, collection fees, or accounting fees; and
 - 10) Explanation of foregone discounts, collection fees, or accounting fees.
- c) Provide a reconciliation of taxes other than income at present rates for the test year reflected on Schedule C-1 with the total test year taxes reflected on Schedules C-19, C-20, and C-29.

Section 285.3190 Schedule C-21: Miscellaneous General Expenses

- a) Provide a comparison of miscellaneous general expenses for each of the three consecutive years immediately preceding the test year for the total company, the test year for the total company, and test year jurisdictional pro forma at proposed rates on Schedule C-1. For electric and gas utilities, the comparison is required for Account 930.2. For water and/or sewer utilities, the comparison is required for Account 675. For telecommunications carriers, the comparison is required for Account 6720.
- b) Expenses shall be aggregated by type with the total expense for each type shown for each year.
- c) Items charged to non-operating expenses may be listed in the aggregate.

Section 285.3215 Schedule C-22: Cost Savings Programs

- a) Provide information concerning any cost savings program that is anticipated to result in annual jurisdictional savings in excess of the lesser of \$1,000,000 or .1% of operations and maintenance expenses in the year preceding the initiation of the program and whose initial costs are sought to be recovered in the test year.
- b) Information provided shall include:
 - 1) Title;
 - 2) Description;
 - 3) Date of implementation;
 - 4) Initial start up costs to implement program;
 - 5) Costs to be incurred for each year of the next three years; and
 - 6) Annual savings expected for each of the next three years.

Section 285.3220 Schedule C-23: Miscellaneous Operating Revenues

- a) Provide information concerning miscellaneous operating revenues by ICC Account number. The number of years of information provided shall be according to the test year proposed as directed in Section 285.3000(e).
- b) Information provided shall include:

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 1) ICC Account number;
- 2) Account description; and
- 3) Amount.

Section 285.3225 Schedule C-24: Legal Expense and Reserves

- a) Provide an analysis of the reserve for outstanding lawsuits, claims, etc. The number of years of information provided shall be according to the test year proposed as directed in Section 285.3000(e).
- b) The following information should be provided:
 - 1) Year;
 - 2) Account number or subaccount number for each reserve;
 - 3) Description of reserve;
 - 4) Balance at beginning of year;
 - 5) Additions to reserve;
 - 6) Amounts charged to legal expense;
 - 7) Other; and
 - 8) Balance at end of year.

Section 285.3230 Schedule C-25: Add-On Taxes

- a) For each applicable service, provide information for add-on taxes, defined as those taxes other than income that are not recovered in tariffed rates, for each taxing authority or group of taxing authorities listed in subsection (b) at the following rates. Explain the method by which add-on taxes have been excluded from revenues at proposed rates as reflected on Schedule C-1:
 - 1) The unadjusted test year amounts at present rates. State whether, or not, add-on taxes are included in revenues as reflected on Schedule C-1; and
 - 2) The pro forma test year amounts at proposed rates.
- b) Information shall be provided for the following taxing authorities:
 - 1) Municipalities (Provide aggregated amounts for all municipal add-on taxes.);
 - 2) State (Provide amounts for each type of add-on tax.); and
 - 3) Other (Provide amounts for each type of add-on tax levied by other taxing authorities.).
- c) Information provided shall include:
 - 1) Amount recorded as revenue that represents add-on tax receipts from ratepayers;
 - 2) Amount recorded as expense that represents distributions of add-on taxes to taxing authority; and
 - 3) Accounting fees collected.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

Section 285.3235 Schedule C-26: Amortization of Deferred Charges

- a) Provide information on each deferred charge item amortized against operating income for each of the three consecutive years immediately preceding the test year and the test year.
- b) For each deferred charge, the information provided shall include:
 - 1) Description;
 - 2) Time period charges were recorded;
 - 3) Amortization period;
 - 4) ICC Docket Nos., if any, authorizing recording and/or recovery of the deferred charge;
 - 5) Deferred charge balance at beginning of year;
 - 6) Deferred charge balance at end of year; and
 - 7) Amortization expense.

Section 285.3300 Schedule C-27: Fuel Adjustment Clause Revenues and Expenses – Electric Utilities

- a) Provide a comparison of the revenues derived from the uniform fuel adjustment clause (UFAC) and fuel costs recoverable through the UFAC included within the applicable service operating income at proposed rates reflected on Schedule C-1.
- b) Information provided shall include:
 - 1) Test year UFAC revenues;
 - 2) Test year base fuel cost revenues;
 - 3) Test year UFAC recoverable expenses; and
 - 4) Number of units sold.

Section 285.3305 Schedule C-28: Fuel Transportation Expense – Electric Utilities

Provide the fuel transportation expense for electric utilities by coal contract for each of the three consecutive years immediately preceding the test year and the test year.

Section 285.3310 Schedule C-29: Decommissioning Expense – Electric Utilities with Nuclear Facilities

Provide a comparison of revenues and decommissioning expense included within the pro forma jurisdictional operating income at proposed rates reflected on Schedule C-1. Information provided shall include:

- a) Test year revenues realized from the decommissioning rider; and

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- b) Test year decommissioning expense.

Section 285.3400 Schedule C-30: Purchased Gas Adjustment Clause Revenues and Expenses – Gas Utilities

- a) Provide a comparison of revenues derived from the purchased gas adjustment (PGA) clause and gas costs recoverable through the PGA included within the jurisdictional operating income at proposed rates reflected on Schedule C-1.
- b) Information provided shall include:
 - 1) Test year PGA revenues;
 - 2) Test year PGA recoverable expenses; and
 - 3) Number of units sold.
- c) Indicate by footnote the accounting treatment of demand charges associated with storage gas.

Section 285.3500 Schedule C-31: Competitive Services

- a) Provide information on all competitive services, as defined for the particular utility in the Act, provided for the test year.
- b) Information shall be provided for each competitive service and shall include:
 - 1) A description of the competitive service; and
 - 2) An indication of when the utility began offering the competitive service.

Section 285.3600 Schedule C-32: Non-utility Operations

- a) Provide information on all non-utility operations for the test year.
- b) Information shall be provided for each non-utility operation and shall include:
 - 1) A description of the non-utility operation; and
 - 2) An indication of when the utility began engaging in the non-utility operation.

Section 285.3700 Schedule C-33: Billing Experiments (Applicable only to utilities requesting a change in rates for the provision of electric service)

- a) Provide information on all experiments for the provision or billing of services conducted pursuant to 220 ILCS 5/16-106 for the test year.
- b) Annual information shall be provided for each experiment and shall include:
 - 1) A description of the experiment;
 - 2) The date the utility, pursuant to Section 16-106 of the Act [220 ILCS 5/16-106], filed with the Commission its statement describing the program; and
 - 3) The program's estimated effect, if any, upon the requested rates.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

SUBPART G: RATE OF RETURN SCHEDULES

Section 285.4000 Rate of Return Instructions

- a) Capital structure measurement period. A company may elect to use either an historical or forecasted capital structure measurement period.
 - 1) Historical capital structures. Average balances in an historical capital structure measurement period shall comprise either the latest consecutive 12 month period or the latest calendar or fiscal year for which actual data are available at the time of filing new tariffs. An historical capital structure comprising balances of long-term debt, preferred stock, and common equity measured as of a single date shall reflect the latest date or the end of the latest calendar or fiscal year for which actual data are available at the time of filing new tariffs.
 - 2) Forecasted capital structures. Average balances in a forecasted capital structure shall reflect any consecutive 12 month period beginning no earlier than the date new tariffs are filed and ending no later than 24 months after the date new tariffs are filed. A forecasted capital structure comprising balances of long-term debt, preferred stock, and common equity from a single date shall reflect any date beginning no earlier than the end of the last calendar or fiscal year for which actual data are available at the time of filing new tariffs and ending no later than 18 months after the date new tariffs are filed.
- b) Measurement. Components of the capital structure must be presented on a consistent basis with respect to the capital structure, measurement period, and method (i.e., net proceeds or internal rate of return method). Adjustments for known and measurable changes, if made, shall not change the amount of total capital. The balance of short-term components of the capital structure shall be calculated from 12 months of average monthly balances. Utilities may elect to base the long-term components of the capital structure on either average or end-of-period balances. For those utilities electing an average capital structure, average balances for each source of capital included in the capital structure, excepting individual security issuances and retirements, shall be calculated from 12 months of average monthly balances. Individual security issuances and retirements shall be time-weighted. Each monthly average shall equal the simple average of the beginning and ending monthly balances. However, monthly data need not be presented for debt and preferred stock issues that do not change during the capital structure measurement period or that change by equal monthly amounts.
- c) Applicability

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 1) Excepting those utilities exempted under Section 285.120(b)-(d), Sections 285.4000 through 285.4070 and 285.4090 are applicable to all utilities.
 - 2) Excepting those utilities exempted under Section 285.120(b)-(d), Sections 285.4080 and 285.4090(d) are applicable to utilities with \$7,500,000 or more of annual total revenue.
- d) All data required under this Subpart shall be provided on a total company basis unless otherwise indicated.

Section 285.4010 Schedule D-1: Cost of Capital Summary

- a) The utility shall provide a summary calculation of the weighted average cost of capital on a total company and jurisdictional basis; however, jurisdictional data is not required if the weights and costs of the components of the capital structure do not differ from total company data. Short-term debt shall be included in the capital structure unless the utility demonstrates that short-term debt is entirely financing assets, such as CWIP or seasonal working capital, that are not included in the utility's rate base. For all classes shown, the amount, percentage of total, percentage cost, and weighted cost shall be provided. A summary shall be provided for each year from and including the last completed calendar or fiscal year through the capital structure measurement period. If the cost of capital shown on Schedule D-1 is not the same as that shown on Schedule A-2 required by Section 285.1005(a)(4), the utility shall provide an explanation for the difference.
- b) The following supporting work papers and documents shall accompany Schedule D-1:
 - 1) Monthly balances for common equity for the most recent calendar or fiscal year through the end of the capital structure measurement period. Utilities using forecasted data that reflect proposed rates shall present both separate monthly balances for common equity at present rates and the monthly change in common equity produced by the proposed rates. Identify actual and forecasted data;
 - 2) A description of the company's capital structure objectives. If the company has conducted a study of those objectives, the company shall also provide a copy of that study;
 - 3) A separate description of each adjustment made to exclude any increment to the utility's cost of capital directly or indirectly resulting from the direct or indirect investment, loan, guarantee, or advance of moneys, property, or other resources to affiliates engaged in unregulated or non-utility activities. The utility shall also describe how its adjustments remove that increment to its cost of capital. If the utility believes no such adjustment to its rate of return is necessary, it shall describe the reasons for that belief; and

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 4) A separate list of amounts invested in each unregulated and non-utility affiliate for each year from and including the last calendar or fiscal year through the capital structure measurement period.
- c) Additional informational requirements for forecasted capital structures only:
 - 1) The weighted average cost of capital may be calculated using either present or proposed rates. In the latter case, however, the utility shall also present the schedules required in Subpart G based upon present rates if the choice of present or proposed rates affects the data incorporated in those schedules.
 - 2) The following schedules shall be provided if not already provided pursuant to Subpart J:
 - A) Schedule D-1.1 shall provide the data described in Section 285.7005(a);
 - B) Schedule D-1.2 shall provide the data described in Section 285.7010(a);
 - C) Schedule D-1.3 shall include the principal assumptions used in preparing the forecasted capital structure data; and
 - D) Schedule D-1.4 shall provide the data described in Section 285.7015(a). Schedule D-1.4 shall also explain any differences between the assumptions and methodologies used in the forecasted data reflected in Schedule D-1 and the assumptions and methodologies used in forecasts prepared for management or other entities.

Section 285.4020 Schedule D-2: Cost of Short-term Debt

- a) Provide the cost of any short-term debt in Schedule D-2, even if short-term debt is not included in the capital structure provided in Schedule D-1.
- b) From and including the most recently completed calendar or fiscal year through the end of the capital structure measurement period, provide monthly balances of the following with actual and forecasted data identified:
 - 1) Balance of short-term debt;
 - 2) Balance of total CWIP;
 - 3) Balance of CWIP accruing on AFUDC; and
 - 4) Net amount outstanding, which equals the greater of:
 - A) subsection (b)(1) less (subsection (b)(1) divided by subsection (b)(2) multiplied by subsection (b)(3)); or
 - B) subsection (b)(1) less subsection (b)(3).
- c) For each type of issue, the following information is required:
 - 1) Type (e.g., commercial paper, line of credit, bank loan);
 - 2) Average original term to maturity;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 3) Amount outstanding;
 - 4) Average interest rate;
 - 5) Interest requirement (subsection (c)(3) multiplied by subsection (c)(4));
and
 - 6) Cost of short-term debt (subsection (c)(5) divided by subsection (c)(3)).
- d) Additional instructions:
- 1) Provide all balances required for Schedule D-2 on a 12 month average basis. Each monthly short-term balance shall be reduced by an amount equal to the concurrent, monthly balance of CWIP accruing AFUDC if the AFUDC rate is set in accordance with the Uniform System of Accounts. However, in no case shall the resulting amount equal less than zero;
 - 2) Provide totals wherever applicable;
 - 3) Describe all special provisions associated with each short-term debt issue (e.g., compensating balance requirements);
 - 4) Do not include long-term debt due within one year; and
 - 5) Interest rates shall equal the annualized rates that the utility paid no more than 60 days prior to the rate filing date or the prevailing or forecasted interest rates on short-term debt of similar risk and terms.
- e) The following supporting work papers or documents shall accompany Schedule D-2:
- 1) Formulas used to set interest rates on variable and adjustable rate issues;
 - 2) Portions of documents describing the manner by which interest rates on variable and adjustable rate debt issues are set (e.g., loan agreements);
 - 3) Documents supporting all interest rates;
 - 4) A description of company policy regarding short-term financing, including its uses, sources (e.g., commercial paper, bank loans, and lines of credit) and limitations (i.e., amount relative to total capital); and
 - 5) Formula and rates of return the company uses to calculate AFUDC rates.

Section 285.4030 Schedule D-3: Embedded Cost of Long-term Debt, including Notes

- a) Provide the embedded cost of any long-term debt, including any notes, on Schedule D-3. The embedded cost of long-term debt shall be provided for each year from and including the last completed calendar or fiscal year through the capital structure measurement period. The utility may choose either the net proceeds or internal rate of return method to calculate the embedded cost of long-term debt.
- b) Utilities selecting the net proceeds method shall provide the following data by issue. Items may not be combined:
 - 1) Debt issue type, coupon rate;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 2) Date issued (month, day, year);
 - 3) Maturity date (month, day, year);
 - 4) Principal amount;
 - 5) Face amount outstanding;
 - 6) Unamortized discount or premium;
 - 7) Unamortized debt expense (including gains and losses on reacquired debt);
 - 8) Carrying value (subsection (b)(5) minus subsection (b)(6) minus subsection (b)(7));
 - 9) Annualized coupon interest;
 - 10) Annualized amortization of discount or premium;
 - 11) Annualized amortization of debt expense (including gains and losses on reacquired debt);
 - 12) Annualized interest expense (subsection (b)(9) plus subsection (b)(10) plus subsection (b)(11)); and
 - 13) Embedded cost of long-term debt (subsection (b)(12) divided by subsection (b)(8)).
- c) Utilities selecting the internal rate of return method shall include the following data by issue. Items may not be combined:
- 1) Debt issue type, coupon rate;
 - 2) Date issued (month, day, year);
 - 3) Maturity date (month, day, year);
 - 4) Principal amount;
 - 5) Face amount outstanding;
 - 6) Current proceeds (including gains and losses on reacquired debt);
 - 7) Discount rate;
 - 8) Annual cost (subsection (c)(6) multiplied by subsection (c)(7)); and
 - 9) Embedded cost of long-term debt (subsection (c)(8) divided by subsection (c)(6)).
- d) Additional instructions:
- 1) Provide totals wherever applicable. Provide the embedded cost of long-term debt (subsections (b)(13) and (c)(9)) for totals only.
 - 2) Capital lease obligations shall be included only if the recovery of lease payments is not being requested through operating expense.
 - A) Footnote capital leases excluded from this Schedule.
 - B) For capital leases included in this Schedule, briefly describe the leased property and the financing terms of the lease, including its life, principal payments, and interest rate.
 - 3) Include any compensating balance requirements in unamortized debt discount. Utilities selecting the net proceeds method shall credit

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- annualized amortization of debt discount with any interest or dividends earned on the compensating balance.
- 4) Gains and losses on reacquired debt.
 - A) Net proceeds method. Utilities selecting the net proceeds method shall amortize gains and losses over the remainder of the reacquired or refunding issue's original term to maturity. Gains and losses on reacquired debt shall be listed, by issue, separately from outstanding debt issues, replacing maturity date (subsection (b)(3)) with the conclusion of the amortization period.
 - B) Internal rate of return method. Utilities selecting the internal rate of return method shall include gains and losses on reacquired debt in either the computation of the discount rate of any refunding issue, if applicable, or by amortizing gains and losses over the remainder of the reacquired or refunding debt issue's original term to maturity. Gains and losses on such reacquired debt shall be listed by issue, replacing the annual cost (subsection (c)(8)) with the annualized amortization of gains and losses and maturity date (subsection (c)(3)) with the conclusion of the amortization period, if applicable.
 - 5) Include long-term debt due within one year.
 - 6) Interest rates on variable or adjustable rate debt shall equal the annualized rates that the utility paid no more than 60 days prior to the rate filing date or the prevailing or forecasted interest rates on short-term debt of similar risk and terms.
- e) Provide the following work papers or documents supporting Schedule D-3:
- 1) For each variable and adjustable rate debt issue provide the following:
 - A) The formulas used to set the interest rate;
 - B) The portions of documents describing the manner by which the interest rate is set (e.g., indentures, loan agreements);
 - C) The documents supporting the interest rate forecast; and
 - D) The dates of interest rate adjustment.
 - 2) The sinking fund schedule for each issue having such a requirement. This schedule shall include the following data:
 - A) Debt issue;
 - B) Payment date;
 - C) Sinking fund requirement; and
 - D) Optional sinking fund amount (if applicable).
 - 3) Installment payment schedule for each issue having such a requirement. This schedule shall include the following data:
 - A) Debt issue;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- B) Payment date;
 - C) Installment payment requirement; and
 - D) Optional payment amount (if applicable).
- 4) For each reacquired issue as of the date of its reacquisition, provide the following:
- A) Reacquisition date;
 - B) Face amount retired;
 - C) Call premium;
 - D) Call price;
 - E) Unamortized discount or premium;
 - F) Unamortized debt expense (excluding the call premium);
 - G) Annualized amortization of discount or premium;
 - H) Annualized amortization of debt expense (excluding the call premium); and
 - I) Refunding issue (if applicable).
- 5) For each issue requiring a compensating balance, provide the following:
- A) The amount of the compensating balance;
 - B) The interest earned on the compensating balance; and
 - C) The rate of interest or dividends earned on the compensating balance.
- 6) List the obligations of all persons or entities, non-utility affiliates or otherwise, the repayment of which the utility guarantees in any manner or form. In addition, identify the obligor, the amount of the obligation, including principal and interest, its due date, any consideration received by the utility as guarantor, and the ICC docket number of any order authorizing the contract. Exclude agreements with nuclear fuel lease subsidiaries and financing subsidiaries established solely for the purpose of servicing the financial obligations of the utility.
- 7) The calculation of the discount rate for each issue (internal rate of return methodology only, including gains and losses on reacquired debt).

Section 285.4040 Schedule D-4: Embedded Cost of Preferred Stock

- a) Provide the embedded cost of any preferred stock on Schedule D-4. The embedded cost of preferred stock shall be provided for each year from and including the last completed calendar or fiscal year through the capital structure measurement period. The utility may choose either the net proceeds or internal rate of return method to calculate the embedded cost of preferred stock.
- b) Utilities selecting the net proceeds method shall include the following data per issue. Items may not be combined with one another:

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 1) Dividend rate, type, par value;
 - 2) Date issued;
 - 3) Mandatory redemption date, if applicable;
 - 4) Number of shares outstanding;
 - 5) Par or stated value outstanding;
 - 6) Premium or discount;
 - 7) Issue expense (including gains and losses on stock redemptions, if applicable);
 - 8) Net proceeds (subsection (b)(5) plus subsection (b)(6) minus subsection (b)(7));
 - 9) Annualized amortization of discount or premium, if applicable;
 - 10) Annualized amortization of issue expense (including gains and losses on stock redemptions, if applicable), if applicable;
 - 11) Annualized dividends;
 - 12) Annualized preferred stock expense (subsection (b)(9) plus subsection (b)(10) plus subsection (b)(11)); and
 - 13) Embedded cost of preferred stock (subsection (b)(12) divided by subsection (b)(8)).
- c) Utilities selecting the internal rate of return method shall include the following data separately (i.e., items may not be combined with one another):
- 1) Dividend rate, type, par value;
 - 2) Date issued;
 - 3) Number of shares outstanding;
 - 4) Par or stated value outstanding;
 - 5) Current proceeds (including gains and losses on stock redemptions, if applicable);
 - 6) Discount rate (i.e., internal rate of return);
 - 7) Annual cost (subsection (c)(5) multiplied by subsection (c)(6)); and
 - 8) Embedded cost of preferred stock (subsection (c)(7) divided by subsection (c)(5)).
- d) Additional instructions:
- 1) Provide totals wherever applicable. Provide the embedded cost of preferred stock (subsections (b)(13) and (c)(8)) for totals only.
 - 2) Include preferred stock sinking fund and other principal payments due within one year.
 - 3) Any gains and losses included in Schedule D-4 shall be listed separately, by issue.
- e) Provide the following work papers or documents supporting Schedule D-4:
- 1) For each variable and adjustable rate preferred stock issue, provide the following:

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- A) The formulas used to set the dividend rate;
 - B) The portions of documents describing the manner by which the dividend rate is set (e.g., prospectus);
 - C) The documents supporting the dividend rate forecast; and
 - D) The dates of dividend rate adjustment.
- 2) Sinking fund schedule for each issue having such a requirement. This schedule shall include the following data:
 - A) Preferred stock issue;
 - B) Payment date;
 - C) Sinking fund requirement; and
 - D) Optional sinking fund amount (if applicable).
 - 3) For gains and losses included in Schedule D-4, provide the following by stock issue:
 - A) Stock issue;
 - B) Number of shares reacquired;
 - C) Par or stated value reacquired;
 - D) Call premium;
 - E) Call price;
 - F) Discount or premium;
 - G) Issue expense (excluding the call premium); and
 - H) Refunding issue (if applicable).
 - 4) Demonstrate that the losses included in Schedule D-4 were incurred as a direct result of transactions that reduced the utility's overall cost of capital.
 - 5) The calculation of the discount rate for each issue (internal rate of return methodology only, including gains and losses on reacquired preferred stock).

Section 285.4050 Schedule D-5: Unrecovered Common Equity Issuance Costs

- a) Excepting those utilities exempted under Section 285.120(c)-(e), this Section is applicable to all utilities requesting compensation for unrecovered common equity issuance costs.
- b) Provide the following data on common equity issuance costs that have not been recovered through rates on Schedule D-5:
 - 1) Issue type (e.g., public, Dividend Reinvestment Plan (DRP), Employee Stock Purchase Plan (ESOP));
 - 2) Dates issued;
 - 3) Gross proceeds;
 - 4) Underwriters' discounts;
 - 5) Issuance expenses;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 6) Net proceeds (subsection (b)(3) minus subsection (b)(4) minus subsection (b)(5));
 - 7) Identify the method of rate treatment approved by the ICC, including supporting documents; and
 - 8) Authorized amortization period (if applicable).
- c) The data provided pursuant to subsection (b) must be based on the actual costs that the utility has incurred or is expected to incur through the measurement period for the utility's capital structure. The utility may not substitute estimates of the common equity issuance costs of other companies as proxies for the actual or forecasted costs incurred to raise common equity capital for the utility.
 - d) Describe the accounting methods (including account numbers) by which underwriters' discounts, issuance expenses, gains or losses on redemption, and the amortization thereon are recorded for regulatory and financial reporting purposes.
 - e) Provide any available documents showing that the costs contained in this Schedule have not been recovered through rates.

Section 285.4060 Schedule D-6: Cost of Common Equity Work papers

Provide a copy of all work papers and source documents used to estimate the utility's requested rate of return on common equity. Where a utility is prohibited by a license or otherwise from providing the information to a third-party, and the supplier of the information has refused to allow its disclosure, in lieu of providing the information the utility shall provide the title, date, and publisher of that information.

Section 285.4070 Schedule D-7: Comparative Financial Data

- a) Provide comparative financial data for the five most recently completed calendar or fiscal years through the capital structure measurement period in Schedule D-7. If the data requested in this Section may be found in either the annual report to shareholders or the statistical supplement supplied with the materials submitted pursuant to this Part, appropriate references to these reports, including page numbers, may be supplied in this Schedule in place of that data. Unless otherwise specified, the data in this Section shall be provided on a total company basis with amounts attributable to non-utility subsidiaries identified and shown separately. Provide work papers showing the calculation of the ratios requested in subsection (c).
- b) Terms used in subsection (c):
 - 1) Funds from operations: net income plus depreciation and amortization (excluding cash decommissioning fund contributions) plus deferred

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- income taxes plus deferred investment tax credits minus AFUDC or IDC plus other internal sources (excluding working capital changes);
- 2) Total capital: short-term debt plus total long-term debt plus preferred stock plus common stock; and
 - 3) Total long-term debt: long-term debt including debt due within one year and capital leases.
- c) Data required:
- 1) Capital structure ratios (percent based upon fiscal or calendar year end amounts). If the weights of the components of the ratemaking capital structure differ from those of the total company, provide both sets of ratios:
 - A) Short-term debt ratio (short-term debt divided by total capital);
 - B) Long-term debt ratio (total long-term debt divided by total capital);
 - C) Preferred stock ratio (total preferred stock divided by total capital); and
 - D) Common equity ratio (common equity divided by total capital).
 - 2) Costs of capital. If the costs of the components of the ratemaking capital structure differ from those of the total company, provide the costs for both:
 - A) Embedded cost of long-term debt; and
 - B) Embedded cost of preferred stock.
 - 3) Earnings ratios:
 - A) AFUDC or IDC as a percentage of earnings available for common shareholders ((AFUDC or IDC plus deferred charges) multiplied by 100) divided by earnings available for common shareholders;
 - B) Return on net original cost rate base-year end (operating income divided by net original cost rate base). Combination utilities, e.g., gas and electric, shall also show the return for each operation; and
 - C) Return on average common equity (earnings available for common shareholders divided by average common equity).
 - 4) Fixed charge coverage:
 - A) Pre-tax interest coverage excluding AFUDC or IDC ((total operating income plus other income plus federal and State income taxes minus AFUDC equity funds portion) divided by total interest charges); and
 - B) After-tax fixed charge coverage (total operating income plus other income) divided by (total interest charges plus preferred dividends).
 - 5) Cash flow ratios:

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- A) Funds flow interest coverage ((funds from operations plus cash interest paid) divided by total interest incurred);
 - B) Funds flow as a percent of average total debt (funds from operations divided by (average short-term debt plus average long-term debt));
 - C) Cash coverage of common dividends ((funds from operations minus preferred dividends) divided by common dividends); and
 - D) Net cash flow as a percentage of construction expenditures ((funds from operations minus preferred dividends minus common dividends) divided by (gross construction expenditures minus AFUDC or IDC)).
- 6) Common stock related data:
- A) Shares outstanding (fiscal or calendar year end);
 - B) Shares outstanding (weighted average – monthly);
 - C) Earnings per share (weighted average);
 - D) Dividends paid per share (weighted average); and
 - E) Dividend payout ratio (common dividends divided by earnings available for common shareholders).

Section 285.4080 Schedule D-8: Security Quality Ratings

- a) Provide a history of the changes in the ratings of each class of security (i.e., senior and subordinated debt, preferred stock, and commercial paper), assigned by rating agencies engaged by the utility to rate its securities (e.g., Standard & Poor's, Moody's Investors Service, and Fitch Investor's Service or their successors), for the last five years in Schedule D-8. The history shall include the rating and the date the rating was assigned.
- b) Provide a copy of all credit rating analyses or reports on the utility and its parent, in the utility's possession, published during the last 12 months that describe security rating changes and the rationale for those changes.
- c) Provide a copy of the last credit rating analysis or report on the utility and its parent, in the utility's possession, published by each rating agency engaged by the utility to rate its securities that comprehensively describes the utility's operations, financial condition, and regulatory environment.

Section 285.4090 Schedules D-9 through D-12: Financial Statements

- a) The following financial statements shall be provided unless provided elsewhere in the filing, in which case the utility shall identify the location of the requested financial statements. These financial statements shall include the most recently

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

completed calendar or fiscal year through the end of the capital structure measurement period. The financial statements shall be provided on a total company basis. Amounts attributable to non-utility subsidiaries shall be identified and shown separately.

- b) Schedule D-9: Income Statement.
- c) Schedule D-10: Balance Sheet.
- d) Schedule D-11: Statement of Cash Flows. The statement of cash flows shall include, but need not be limited to, the following items:
 - 1) Cash flows from operating activities:
 - A) Net income;
 - B) Depreciation and amortization;
 - C) Deferred income taxes and investment tax credits – net ;
 - D) Other operating activities excluding changes in working capital – net; and
 - E) Changes in working capital – net.
 - 2) Cash flows from investing activities:
 - A) Capital (construction) expenditures – net of AFUDC; and
 - B) Other investing activities – net.
 - 3) Cash flows from financing activities (separately show any subsidiary security issuances and retirements for which the utility has ultimate liability):
 - A) Issuance of long-term debt;
 - B) Retirement of long-term debt;
 - C) Issuance of preferred stock;
 - D) Retirement of preferred stock;
 - E) Issuance of common stock;
 - F) Retirement of common stock;
 - G) Net increase (decrease) in short-term debt;
 - H) Dividends paid on preferred stock;
 - I) Dividends paid on common stock; and
 - J) Other (explain).
 - 4) Net increase (decrease) in cash.
- e) Schedule D-12: Statement of Retained Earnings.

SUBPART H: RATE AND TARIFF SCHEDULES

Section 285.5005 Schedule E-1: Copy of Current Tariff Sheets

Provide one copy of all current tariff sheets. Identify each page with "Schedule E-1, page (insert number) of (insert total number of pages)" in the upper right hand corner.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

Section 285.5010 Schedule E-2: Copy of Proposed Tariff Sheets

Provide one copy of all proposed tariff sheets. Identify each page with "Schedule E-2, page (insert number) of (insert total number of pages)" in the upper right hand corner.

Section 285.5015 Schedule E-3: Revised Copies of Existing Tariff Sheets

Provide one copy of present rate tariffs for all rate classes that shows, in strikeout form, all existing rates and tariff language the utility proposes to remove and shows, in underline form, all new rates and tariff language the utility proposes to add.

Section 285.5020 Schedule E-4: Narrative Rationale for Tariff Changes

- a) On Schedule E-4, provide the rationale underlying the proposed changes to the tariff. Changes common to multiple rate forms need be discussed only once (e.g., "Minimum bill charges have been increased about 10% on all rates because...").
- b) Provide a specific source of data or narrative supporting each rationale for change. The source of data need not be submitted with the materials provided to Staff pursuant to this Part but must be available to the Staff. If the explanation is part of testimony, then it need not be duplicated in the schedules. Reference the appropriate current or proposed rate schedules to which the rationale is applicable. Use the proper schedule and page number.
- c) (Electric and Gas Utilities Only) Provide a statement that describes in detail the methodology used to allocate revenues among the utility's customer classes.

Section 285.5025 Schedule E-5: Billing Units – Electric, Gas, Water, and Sewer Utilities

- a) Provide jurisdictional "Billing Units" by rate classifications that make up the total test year revenue for each designated rate in combination with its accompanying riders to the rates, if any.
 - 1) Report all billing units beginning with those actually experienced in the historical year and setting forth each adjustment for items such as weather (see subsection (a)(2) and growth to arrive at pro forma test year billing units supporting pro forma revenues at present and proposed rates reflected on Schedule C-1. If the test year billing units are not derived in this manner, provide an explanation of the methodology and identify each of the key assumptions used to develop the billing determinants from actual data and provide all the associated work papers.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 2) (Electric and Gas Utilities Only) Provide quantitative weather normalization data consistent with utility's service area. Include a full explanation of the normalization method selected and explain why it is appropriate. Provide the number of monthly heating degree days and/or cooling degree days assumed. Identify and explain each of the key assumptions in the methodology. Also, if an historic test year is used, provide the number of monthly heating degree days and/or cooling degree days actually experienced by the utility in the test year and state the source of that data (i.e., location of weather station). Provide the 30 year monthly and annual averages using the heating degree day data and/or cooling degree day data from the same weather station previously mentioned.
- 3) Test year billing units for each rate schedule (or type of service), each rate block and each rate element are to be reported, whether changed or not.
- b) Categorize the test year billing units for each rate and rate element by the following components:
 - 1) Customer charges (service charges);
 - 2) Minimum bills if applicable;
 - 3) Energy or usage sales units (Note: provide billing units for each current and proposed energy or usage block);
 - 4) Demand units (Note: billing units shall be provided for each current and proposed demand block);
 - 5) Purchased gas adjustment units, fuel adjustment units, purchased water units, or purchased sewage treatment units; and
 - 6) All other units that give rise to revenues, including detailed billing units for public and private fire protection services where applicable.
- c) Any utility that prepares an elasticity of demand study to support adjustments to test year billing units shall submit a copy of the study as work papers supporting Schedule E-5 in addition to the other information required by this Section.

Section 285.5100 Additional Electric and Gas Utility Rate Design Data Requirements

Sections 285.5105 through 285.5315 are applicable to specific types of utilities. The affected utilities are indicated in each Section title.

Section 285.5105 Schedule E-6: Jurisdictional Operating Revenue – Electric and Gas Utilities

- a) Provide calculations showing the derivation of jurisdictional test year revenues from each current rate schedule and from each new rate schedule proposed by the utility based on the billing units derived in Section 285.5025. Test year revenues for each

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

rate schedule and each block within a schedule are to be reported, whether changed or not.

- b) The calculations for each rate schedule shall show the calculation of test year revenues from each of the following rate components for each billing unit category provided on Schedule E-5:
 - 1) Basic rate charges;
 - 2) Purchased gas adjustment charges, fuel adjustment charges;
 - 3) Add-on tax charges to recover governmental tax assessments on gross revenue (add-on tax charges shall not be included in base rates); and
 - 4) Any other present or proposed add-on charges for individual rate classes not covered otherwise. (Note: Include, if applicable, municipal tax and rental costs for meters, transformers and related items in "Other", if available.)
- c) Identify all other revenues in the present and proposed revenue requirement as referenced in the Operating Revenue balance provided in Schedule C-1.

Section 285.5110 Schedule E-7: Embedded Class Cost of Service Studies – Electric and Gas Utilities

Each electric and gas utility with \$5 million or more in total jurisdictional annual revenues shall submit an embedded cost of service study for each rate increase application based on costs for the proposed test year. This submission shall consist of two parts:

- a) Schedule E-7: A full set of cost-of-service results that presents the functionalization, classification and allocation to the utility's rate classes of all Illinois jurisdiction costs on the utility system as follows:
 - 1) All costs broken down by ICC Account or group of similar ICC Accounts that are allocated on the same basis;
 - 2) Test year costs shall be consistent with the costs presented in Section 285.3005.
 - 3) A list of all externally generated allocation factors in the study;
 - 4) Rates-of-return by customer classes under both present and proposed rates; and
 - 5) A full narrative description of the allocation methodology used in the cost-of-service study that explains in detail:
 - A) The derivation of all externally generated allocators; and
 - B) The basis for all direct assignments of costs in the study.
- b) Schedule E-7 work papers: the utility shall provide a copy of all materials relied on in developing the cost-of-service study. This shall include:
 - 1) A hard copy of all work papers relied on to develop the cost-of-service study and a copy on floppy disk in spreadsheet format where available;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 2) The following data on demand and/or energy loss factors used in the cost-of-service study:
 - A) A list of all demand and/or energy loss factors by customer class used in the study; and
 - B) A copy of all studies or analyses relied on to develop these loss factors;
- 3) A copy of all other studies and analyses relied on by the utility to develop cost-of-service study results; and
- 4) A working model of the utility's cost-of-service study on floppy disk in spreadsheet or database format where available. If the utility is prevented from fulfilling this requirement by an agreement with an outside vendor, provide the following:
 - A) A copy of the contract provisions that prevent the utility from distributing a copy of the study, and
 - B) Either allow intervenors access to a computer that contains a working "black box" copy of the model where they can generate alternative cost-of-service study results; or have the utility's vendor and individual intervenors enter into an agreement to provide the intervenors with a working copy of the model to use for a fixed and limited time period at the end of which that right to use the program would expire.

Section 285.5120 Schedule E-8: Load Research – Electric Utilities

Each electric utility with more than \$50 million in total jurisdictional annual revenue shall provide a set of load research results that were developed no more than four years before the filing date. This submission shall consist of two parts:

- a) Schedule E-9: a full set of load research results based on statistical samples of the utility's rate classes. This shall include the following information:
 - 1) Monthly class and Illinois jurisdictional loads at the time of the system coincident peaks, along with the date and time of such peak;
 - 2) The monthly maximum non-coincident peak demands for each customer class, along with the date and time of each peak for each customer class;
 - 3) Class and jurisdictional load factors; and
 - 4) The statistical confidence level achieved for each set of load data developed.
- b) Schedule E-9 supporting materials. The utility shall provide the following materials in support of its load research results:
 - 1) The time period over which the data was collected;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 2) A full description of the statistical methods used by the utility to derive load research results, including accuracies and confidence levels its load research samples were designed to achieve; and
- 3) A full explanation of the usage strata into which customers in the utility's load research sample are distributed. For each usage stratum, the utility must provide the following:
 - A) Identify the number of customers and the customer types (by class) in that particular usage stratum;
 - B) Average monthly usage;
 - C) Average demand in kW at the time of the system peak; and
 - D) Average non-coincident peak demand.
- 4) An explanation of how the load research sample was derived and justification for the appropriateness of the sample used.

Section 285.5130 Schedule E-10: Bill Frequency Data – Electric and Gas Utilities

Each electric and gas utility with \$20 million or more in total jurisdictional annual revenue shall provide the following bill frequency data for each of the utility's rate classes for the historical year as defined in 83 Ill. Adm. Code 287.100(a) (If the historical year bill frequency data does not accurately reflect test year bill frequency data for an individual rate class, then the utility shall provide test year bill frequency data for that class under proposed rate classes.):

- a) A frequency distribution of monthly customer bills (by numbers and percentage) structured as follows for the utility's major rate classes (All data points beyond the 95th percentile shall be grouped in one block.):
 - 1) For electric utilities:
 - A) For the rate classes applicable to residential customers: by 50 kWh increments from 0 to 500 kWh, by 100 kWh increments from 500 to 1,000 kWh, by 250 kWh increments from 1,000 to 2,500 kWh and by 500 kWh increments for all bills over 2,500 kWh;
 - B) For the rate classes applicable to commercial and industrial customers: by 10 kWh increments from 0 to 100 kWh, by 25 kWh increments from 100 to 500 kWh, by 50 kWh increments from 500 to 1,000 kWh, by 100 kWh increments from 1,000 to 2,500 kWh, by 500 kWh increments from 2,500 to 5,000 kWh, by 1,000 kWh increments from 5,000 to 10,000 kWh, by 5,000 kWh increments from 10,000 to 50,000 kWh, by 10,000 kWh increments from 50,000 to 100,000 kWh, by 50,000 kWh increments from 100,000 to 200,000 kWh, by 100,000 kWh increments from 200,000 to 1,000,000 kWh, and by 500,000 kWh increments for all bills over 1,000,000 kWh;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- C) For the demand metered classes applicable to commercial and industrial customers: by 5 kW increments from 0 to 100 kW, by 10 kW increments from 100 to 200 kW, by 50 kW increments from 200 to 500 kW, by 100 kW increments from 500 to 1,000 kW, by 500 kW increments from 1,000 to 5,000 kWh, and by 2,500 kWh increments for all bills over 5,000 kW.
- 2) For gas utilities:
- A) For the rate classes applicable to residential customers: by 10 therm increments from 0 to 200 therms, by 20 therm increments from 200 to 400 therms, by 50 therm increments from 400 to 600 therms, and by 100 therm increments for all bills over 600 therms;
 - B) For the rate classes applicable to small commercial customers: by 20 therm increments from 0 to 400 therms, by 50 therm increments from 400 to 600 therms, by 100 therm increments from 600 to 1,000 therms, by 200 therm increments from 1,000 to 2,000 therms, by 500 therm increments from 2,000 to 5,000 therms, by 1,000 therm increments from 5,000 to 10,000 therms, by 5,000 therm increments from 10,000 to 30,000 therms, by 10,000 therm increments from 30,000 to 100,000 therms, by 50,000 therm increments from 100,000 to 400,000 therms, by 100,000 therm increments from 400,000 to 800,000 therms, and by 200,000 therm increments for all bills over 800,000 therms;
 - C) For the rate classes applicable to small industrial customers: by 20 therm increments from 0 to 400 therms, by 50 therm increments from 400 to 600 therms, by 100 therm increments from 600 to 1,000 therms, by 200 therm increments from 1,000 to 2,000 therms, by 500 therm increments from 2,000 to 5,000 therms, by 1,000 therm increments from 5,000 to 10,000 therms, by 5,000 therm increments from 10,000 to 30,000 therms, by 10,000 therm increments from 30,000 to 100,000 therms, by 50,000 therm increments from 100,000 to 400,000 therms, by 100,000 therm increments from 400,000 to 800,000 therms, and by 200,000 therm increments for all bills over 800,000 therms;
 - D) For the rate classes applicable to large commercial customers: by 20 therm increments from 0 to 400 therms, by 50 therm increments from 400 to 600 therms, by 100 therm increments from 600 to 1,000 therms, by 200 therm increments from 1,000 to 2,000 therms, by 500 therm increments from 2,000 to 5,000 therms, by 1,000 therm increments from 5,000 to 10,000 therms, by 5,000 therm increments from 10,000 to 30,000 therms, by 10,000 therm

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- increments from 30,000 to 100,000 therms, by 50,000 therm increments from 100,000 to 400,000 therms, by 100,000 therm increments from 400,000 to 800,000 therms, and by 200,000 therm increments for all bills over 800,000 therms; and
- E) For the rate classes applicable to large industrial customers: by 20 therm increments from 0 to 400 therms, by 50 therm increments from 400 to 600 therms, by 100 therm increments from 600 to 1,000 therms, by 200 therm increments from 1,000 to 2,000 therms, by 500 therm increments from 2,000 to 5,000 therms, by 1,000 therm increments from 5,000 to 10,000 therms, by 5,000 therm increments from 10,000 to 30,000 therms, by 10,000 therm increments from 30,000 to 100,000 therms, by 50,000 therm increments from 100,000 to 400,000 therms, by 100,000 therm increments from 400,000 to 800,000 therms, and by 200,000 therm increments for all bills over 800,000 therms.
- b) quency distributions, by season, for each rate tariff with seasonal rates in effect.
- c) A frequency distribution (in numbers and percentage) by both demand and usage level for demand metered tariffs.

Section 285.5135 Schedule E-11: Bill Comparisons – Electric and Gas Utilities

- a) Compute bill comparisons under present and proposed rates for the test year for each residential, commercial and industrial rate schedule or combination of rate schedule with its associated rate rider on which the customers are serviced and any applicable fuel adjustment clause or purchased gas adjustment. Utilities with seasonal rates shall present these comparisons for each season and on an annual basis. The format for comparisons of present and proposed bills for electric and gas utilities shall be as follows in subsections (b) and (c).
- b) Electric utilities:
- 1) For residential customers, present comparisons under the following monthly usage levels:
- A) For residential service without water heating: 100 kWh, 250 kWh, 500 kWh, 750 kWh, 1,000 kWh, 1,500 kWh, 2,000 kWh and 3,000 kWh;
- B) For residential service with water heating: 750 kWh, 1,000 kWh, 1,500 kWh, 2,000 kWh and 3,000 kWh;
- C) For residential service with space heating or all electric: 100 kWh, 250 kWh, 500 kWh, 750 kWh, 1,000 kWh, 1,500 kWh, 2,000 kWh, 3,000 kWh, 5,000 kWh and 7,500 kWh; and

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- D) For the residential customer with typical usage as determined on a monthly basis.
- 2) For commercial service, present comparisons under the following monthly usage levels: 375 kWh, 750 kWh, 1,500 kWh, 6,000 kWh, 40 kW and 10,000 kWh, 50 kW and 12,500 kWh, 100 kW and 30,000 kWh, 300 kW and 90,000 kWh, 500 kW and 150,000 kWh, and 1,000 kW and 300,000 kWh.
- 3) For industrial service, present comparisons under the following monthly usage levels: 75 kW and 15,000 kWh, 75 kW and 30,000 kWh, 150 kW and 30,000 kWh, 150 kW and 60,000 kWh, 300 kW and 60,000 kWh, 300 kW and 120,000 kWh, 500 kW and 100,000 kWh, 500 kW and 200,000 kWh, 1,000 kW and 200,000 kWh, 1,000 kW and 400,000 kWh, 5,000 kW and 1,500,000 kWh, 5,000 kW and 2,500,000 kWh, 10,000 kW and 3,000,000 kWh, 10,000 kW and 5,000,000 kWh, 20,000 kW and 6,000,000 kWh, 20,000 kW and 10,000,000 kWh, 50,000 kW and 15,000,000 kWh, and 50,000 kW and 25,000,000 kWh.
- c) Gas utilities:
 - 1) For residential customers, present comparisons under the following monthly usage levels: 0 therms, 10 therms, 40 therms, 100 therms, 200 therms, 250 therms, 500 therms and 1,000 therms.
 - 2) For commercial customers, present comparisons under the following monthly usage levels: 0 therms, 300 therms, 500 therms, 1,000 therms, 3,000 therms, 5,000 therms, 10,000 therms and 20,000 therms.
 - 3) For industrial customers, present comparisons under the following monthly usage levels, 0 therms, 1,000 therms, 5,000 therms, 10,000 therms, 25,000 therms, 50,000 therms, 100,000 therms and 500,000 therms.

Section 285.5200 Schedule E-6: Long-Run Service Incremental Cost Studies – Telecommunications Carriers

- a) Each telecommunications carrier (carrier) subject to the requirements of this Part shall provide long-run service incremental cost studies (LRSIC) in accordance with 83 Ill. Adm. Code 791.
- b) Each telecommunications carrier shall provide a listing of all proposed rate/ratemaking changes with corresponding available LRSIC information for each rate or element also listed.

Section 285.5205 Schedule E-7: Imputation Tests – Telecommunications Carriers

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

Each carrier subject to the requirements of this Part shall provide imputation tests in accordance with 83 Ill. Adm. Code 792.

Section 285.5210 Schedule E-8: Jurisdictional Operating Revenue – Telecommunications Carriers

- a) Present calculations of jurisdictional revenues derived from each current rate schedule and from each new rate schedule proposed by the carrier.
 - 1) Report all revenues beginning with those actually experienced in the historical year and setting forth each adjustment for items such as growth to arrive at pro forma revenues at present and proposed rates.
 - 2) Revenues for each rate schedule are to be reported, whether changed or not.
- b) Each rate schedule shall provide the following information:
 - 1) Rate elements. Schedule E-8 provides for the reporting of revenue and sales data by category and by each rate element within the category. Provide the tariff sheet number reference for each rate element along with the name of the rate element.
 - 2) Units in service. Units shall be presented in two forms: actual units in service and demand adjusted units. Base annual unit revenues for the historic year on units in service that reflect growth through the end of the test year. Base initial nonrecurring charges or other one-time charge revenues on the historical year occurrences.

Section 285.5215 Schedule E-9: Bill Comparisons – Telecommunications Carriers

On Schedule E-9, telecommunications carriers subject to the requirements of this Part shall provide bill comparisons for typical basic telecommunications services used by the majority of residential and business customers. If the charges are different for the exchange areas serviced, list the bill comparisons for typical service in representative rate groups (i.e., rate group with the highest percentage increase or decrease, rate group with the lowest percentage increase or decrease, and a rate group containing the largest number of exchanges).

Section 285.5300 Schedule E-6: Jurisdictional Operating Revenue – Water and Sewer

- a) Provide calculations showing the derivation of jurisdictional revenues from each current rate schedule and from each new rate schedule proposed by the utility.
 - 1) Report all revenues beginning with those actually experienced in the historical year and setting forth each adjustment for items such as weather and growth to arrive at pro forma revenues at present and proposed rates.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 2) Revenues for each rate schedule and each block within a schedule are to be reported, whether changed or not.
- b) The calculations for each rate schedule shall show the revenue calculation from each of the following rate components:
 - 1) Basic rate charges;
 - 2) Purchased water units or purchased sewage treatment units;
 - 3) Details of fire protection revenues by meter size for each public fire district and municipality as paid by customers and the municipality or district in addition to the details by service connection size for private fire protection customers; and
 - 4) Any other add-on charges not covered otherwise, in effect at the date of filing the proposed tariffs. Add-on charges shall not be included in base rates.

Section 285.5305 Schedule E-7: Embedded Cost of Service Studies – Water and Sewer

- a) Each water and sewer utility may submit an embedded cost-of-service study for each rate increase application based on costs for the proposed test year. Each cost-of-service study submitted must include (at a minimum) the information listed in subsections (b), (c), and (d). If a cost-of-service study is not submitted, the utility must provide the necessary data in subsections (b), (c), and (d) to enable Staff to perform a cost-of-service study.
- b) Schedule E-7: A full set of cost-of-service results that presents the functionalization, classification and allocation of all jurisdictional costs on the utility system. Present all non-jurisdictional costs separately from jurisdictional costs in the study.
 - 1) All costs broken down in detail to allow a full cost-of-service study to be performed in accordance with the Uniform System of Accounts (83 Ill. Adm. Code 605 and 650). The breakdown of expenses by Uniform System of Accounts shall also include the following additional transmission and distribution expenses: Mains, Meters, Services, Meter Installations, Hydrants, and Distribution Reservoirs and Standpipes. Additionally, customer accounts expense shall include meter reading in its breakdown of expenses.
 - 2) A listing of all externally generated allocation factors in the study.
 - 3) A full narrative description of the allocation methodology used in the cost-of-service study that explains in detail:
 - A) The derivation of all externally generated allocators; and
 - B) The basis for all direct assignments of costs in the study.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- c) Work papers supporting Schedule E-7 shall include all materials relied on in developing the cost-of-service study. This shall include, but not be limited to, the following:
- 1) A hard copy of all work papers relied on to develop the cost-of-service study and a copy on floppy disk in spreadsheet format where applicable;
 - 2) The following data on load factors used in the cost-of-service study:
 - A) A listing of all load factors used in the study by rate class and/or customer class; and
 - B) A copy of all studies and analyses relied on to develop these load factors.
 - 3) A copy of all studies and/or analyses relied on by the utility to develop cost-of-service study results.
 - 4) The amount of plant in service, contributions in aid of construction, and customer advances for:
 - A) Mains larger than eight inches in diameter; and
 - B) Mains eight inches and smaller in diameter.
- d) Customer usage structured as followed for the utility's rate groups:
- 1) For water utilities:
 - A) Number of customers by meter size for each customer class; and
 - B) Water usage for each customer class by rate block (1,000 gallon or 100 cubic foot).
 - 2) For sewer utilities:
 - A) For flat rate customers, the number of billing units by rate;
 - B) For customers billed on water usage:
 - i) Number of customers by meter size for each customer class; and
 - ii) Water usage for each customer class by rate block (1,000 gallon or 100 cubic foot).

Section 285.5315 Schedule E-8: Bill Comparisons – Water and Sewer

- a) Bill comparisons shall be calculated for the test year for each residential, commercial, industrial, or any other class rate schedule or combination of rate schedules, with its associated rate rider on which such customers are serviced. Show rates with different seasonal charges (winter, summer) for each season. The bill comparisons shall demonstrate the full range of percent increases and decreases that are expected to occur by reporting the consumption levels that produce the maximum percentage increase and the minimum percent increase or maximum percent decrease, whichever occurs. The format for comparisons of present and

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

proposed bills shall show the present bill, the proposed bill, the dollar difference and the percentage difference as described in subsections (b) and (c).

- b) Water utilities:
- 1) For residential customers, present comparisons by 1,000 gallon or 100 cubic foot increments for usage from 0 to 20 units with an indication of the average use;
 - 2) For those commercial and industrial customers with usage levels less than 1000 units per month, present comparisons by 50,000 gallon or 5,000 cubic foot increments for usage from 0 to 1000 units; and
 - 3) For those industrial and commercial customers with usage levels greater than 1000 units per month, present comparisons by 100,000 gallon or cubic foot increments for usage from 0 to 1,000,000 units and by 500,000 gallon or cubic foot increments from 1,000,000 to the maximum usage by any customer.
- c) Sewer utilities:
- 1) For flat rate service, the rate for each type of service;
 - 2) For rates based on water usage:
 - A) For residential customers, present comparisons by 1,000 gallon or 100 cubic foot increments for usage from 0 to 20 units with an indication of the average use;
 - B) For those commercial and industrial customers with usage levels less than 1000 units per month, present comparisons by 50,000 gallon or 5,000 cubic foot increments for usage from 0 to 1000 units; and
 - C) For those industrial and commercial customers with usage levels greater than 1000 units per month, present comparisons by 100,000 gallon or cubic foot increments for usage from 0 to 1,000,000 units and by 500,000 gallon or cubic foot increments from 1,000,000 to the maximum usage by any customer.
- d) The dollar amounts computed for current bills and proposed bills shall include the charges resulting from purchased water adjustments and sewage treatment rates, where applicable, that were in effect on the date of filing. Separately state municipal tax charges, franchise fees and the fire protection charge for the largest municipality.

SUBPART I: PLANNING AND OPERATION SCHEDULES FOR GAS AND/OR ELECTRIC UTILITIES

Section 285.6000 Applicability of Subpart I

Subpart I is applicable to electric and gas utilities, subject to the requirements of this Part, as indicated in the title of each Section.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

Section 285.6005 Schedule F-1: Electric Generating Station Data

Schedule F-1, for electric utilities that own generating stations, shall contain the electric generating station data listed below for the five consecutive years immediately preceding the test year and the test year, by generating unit, or by station if unit data is unavailable:

- a) Operation and maintenance expenses, segregated by fixed and variable expenses, that are used in determining generation dispatch. As a work paper supporting this schedule, include a description of how the costs were calculated and allocated into the fixed and variable categories and any studies that support the allocation.
- b) Net generation; and
- c) Capacity factor.

Section 285.6010 Schedule F-2: Electric Interchange Transactions

Schedule F-2 shall contain information on electric interchange transactions of electric utilities for the test year and five consecutive years immediately preceding the test year. Information to be provided shall include:

- a) Firm purchases and sales: Provide an annual summary listed by organization involved in the transaction and include MWhrs received or delivered, demand charges, energy charges, transmission charges, and total cost.
- b) Non-firm purchases and sales: Provide an annual summary listed by organization involved in the transaction and by type of transaction (economy, general purpose, emergency, etc.). Include MWhrs received or delivered, energy charge in dollars, and transmission charges. Forecast levels of non-firm purchases and sales need only be listed by transaction type.
- c) Transmission services: Provide the annual MWhrs received and delivered and revenue received for providing transmission services.

Section 285.6015 Schedule F-3: Electric Utility Marginal Energy Costs

Schedule F-3 shall contain the marginal energy costs by costing period (summer, winter, on-peak, off-peak, etc.) for the test year. As work papers supporting this schedule, provide a description of the calculation of the marginal costs, the major assumptions, and support data from production cost studies.

Section 285.6020 Schedule F-3.1: Distribution System Maintenance Expense

- a) Provide the following information for the utility's tree trimming program:
 - 1) Tree trimming expense for the test year and three previous years;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 2) The utility's policy regarding tree trimming cycle; and
 - 3) The percent of the distribution system that has a tree trimming cycle in excess of the policy indicated in subsection (a)(2).
- b) Provide the distribution substation maintenance expense for the test year and five previous years.
 - c) Provide the maintenance expense for the test year and five previous years for all distribution equipment other than distribution substations.

Section 285.6100 Schedule F-4: Additions to Plant in Service Since the Last Rate Case

- a) Provide information concerning plant additions included in rate base on Schedule B-1 that are not currently in the rate base ordered in the utility's most recent rate proceeding. The number of projects for which information must be provided is the lower of the 30 most costly additions or the number of additions whose cost is greater than that shown in the table below. For multi-jurisdictional utilities, the cost of the addition shall be considered on the basis of total company cost, by type of utility. The supporting work papers shall include the reports included in response to subsection (b)(7).

UTILITY NET PLANT (From most recent ILCC Form 21, pages 200-201)	Minimum Cost of Project for which information need be provided in Section 285.6100	
	ELECTRIC UTILITIES	GAS UTILITIES
Equal to or greater than \$1 billion	Higher of 0.1% of net plant or \$2,000,000	Lower of 0.2% of net plant or \$10,000,000
Greater than \$50 million but less than \$1 billion	\$1,000,000	Higher of 0.2% of net plant or \$1,000,000
\$50 million or Less	\$100,000	\$100,000

- b) Information provided for the top ten most costly additions shall include:
 - 1) Description of addition;
 - 2) Date project started;
 - 3) Completion date;
 - 4) Completion cost;
 - 5) Reason for the project;
 - 6) Alternatives considered and the reasons for rejecting each alternative; and

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 7) List of reports relied upon by management when deciding to pursue the rate base addition.
- c) Information provided for the next 20 most expensive additions to rate base shall include:
 - 1) Description of addition;
 - 2) Completion cost; and
 - 3) Reason for the project.

Section 285.6200 Schedule F-5: Fossil Fuel Inventory – Electric Utilities

- a) For each of the five consecutive years immediately preceding the test year and the test year, provide information on fuel inventory, including all primary, secondary, and start-up fuel inventories, for each generating unit and fuel type as described in subsection (b). If the same fuel is burned by more than one unit at a station, indicate the affected units and provide the information for the combination of units.
- b) Indicate, where applicable, tons, barrels, and dollars for the following information:
 - 1) Monthly average fuel inventory level;
 - 2) Monthly average fuel burn;
 - 3) Monthly average fuel receipts;
 - 4) Maximum inventory storage capacity;
 - 5) Unusable inventory, where unusable inventory is defined as inventory that is not accessible for use, but is necessary for the rest of the inventory to be utilized;
 - 6) Reason for unusable inventory;
 - 7) Daily burn at full load; and
 - 8) For all fuel types, specify at what time each is used, i.e., natural gas is used as a primary fuel in the months of May through September, etc.
- c) Supporting work papers shall include a complete description of how the utility determines the cost and Btu content of fossil fuel burned from inventory.

Section 285.6205 Schedule F-6: Contractual Coal Delivery Schedule – Electric Utilities

- a) Provide information described in subsection (b) concerning contractual coal delivery schedules for each generating unit for the test year. If the same fuel is burned by more than one unit at a station, indicate the affected units and provide the information for the combination of units.
- b) Information provided shall include:

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 1) Source of coal supply, including the name of the coal supplier and location of the mine;
- 2) Delivery amount in tons per week, month, etc., as specified in the contract and the mode of transportation;
- 3) Allowable deviations from the schedule;
- 4) Required advance notice to alter the schedule; and
- 5) Explanation of how the utility determines an appropriate coal delivery schedule if no contractual schedule is specified.

Section 285.6210 Schedule F-7: Fossil Fuel Supply Interruptions – Electric Utilities

- a) Provide information described in subsection (b) concerning each fossil fuel supply interruption when coal, oil or natural gas could not be delivered to a generating unit during the previous five years.
- b) Information provided for each occurrence exceeding five days shall include:
 - 1) Date of interruption;
 - 2) Description of occurrence;
 - 3) Duration;
 - 4) Units affected;
 - 5) Inventory burned; and
 - 6) Size of inventory when deliveries resumed.

Section 285.6300 Schedule F-8: Gas Stored Underground – Gas Utilities

- a) Provide information, where applicable, for the portion of each underground gas storage facility owned, contracted, leased, etc., during the test year and for the period directly after the test year to the present. Where the underground storage is provided by a natural gas pipeline pursuant to a purchased storage service on file with the Federal Energy Regulatory Commission, the utility shall note this on the schedule and provide the information that is available.
- b) Information to be provided shall include:
 - 1) Location and operator of the storage facility;
 - 2) Date that each contract, lease, etc., expires;
 - 3) Maximum working gas inventory volume for the portion of the storage facility owned, contracted, leased, etc., by the utility;
 - 4) Method of inventory valuation used by the utility (i.e., average, FIFO (first in, first out), LIFO (last in, first out));
 - 5) Maximum daily deliverability on a typical peak day for the portion of the storage facility owned, contracted, leased, etc., by the utility;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 6) Expected daily deliverability on a typical peak day for the portion of the storage facility owned, contracted, leased, etc., by the utility (differs from subsection (b)(5) only if derations are expected);
 - 7) Injection limitations, such as time of year constraints, source of injection gas, etc., for the portion of the storage facility owned, contracted, leased, etc., by the utility;
 - 8) Method of dispatch (i.e., peak shaving, base loading, etc.); and
 - 9) Monthly price for injections and withdrawals (including volumes) applied to the utility's storage inventory levels for each of the three consecutive years immediately preceding the test year and the test year.
- c) Supporting work papers shall include the following information for the portion of the storage facility owned, contracted, leased, etc., by the utility:
- 1) An explanation of the calculation of each storage facility's maximum daily deliverability on a typical peak day;
 - 2) An explanation of the calculation of each storage facility's expected daily deliverability on a typical peak day;
 - 3) An explanation of the type of transportation used in conjunction with each leased or contracted storage agreement; and
 - 4) An explanation of how the Company accounts for its storage inventory levels (one central pool or specific information for each storage field).

Section 285.6305 Schedule F-9: Underground Gas Storage Activity – Gas Utilities

- a) Provide information, if applicable, for the portion of all underground gas storage facilities either owned or leased by the utility for each of the five consecutive years immediately preceding the test year and the test year. Where the underground storage is provided by a natural gas pipeline pursuant to a purchased storage service on file with the Federal Energy Regulatory Commission, the utility shall note this on the schedule and provide the information that is available.
- b) Information shall be provided only for that portion of the storage facility that is owned, leased or contracted by the utility and shall include:
 - 1) Monthly average inventory of cushion gas and working gas in dollars and millions of cubic feet or decatherms;
 - 2) Monthly injection and withdrawal quantities; and
 - 3) Date and reason for any instances where the withdrawal capacity of a facility was limited due to unforeseen circumstances, such as equipment breakdowns, within the last five years.

Section 285.6310 Schedule F-10: Adequacy of Underground Gas Storage Levels – Gas Utilities

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- a) Provide support for the determination that the available gas storage is the proper amount to ensure reliable service to customers at the lowest cost during the test year.
- b) Work papers shall include studies available to support the determination that the available gas storage is the proper amount needed to ensure reliable service to customers at the lowest cost during the test year.

Section 285.6315 Schedule F-11: Propane, Liquefied Natural Gas, and Synthetic Natural Gas Facilities – Gas Utilities

- a) Provide information for each propane, liquefied natural gas (LNG) and synthetic natural gas (SNG) facility.
- b) Information to be provided shall include:
 - 1) Rate at which the propane/LNG inventory can be replenished during the winter months;
 - 2) Feedstock consumption rate in gallons per hour for the plant at rated capacity;
 - 3) Expected peak day capacity of the plant;
 - 4) Last three dates on which the facility was required to serve load on the utility's system. Explain the situation that caused each of these three occurrences and how much load was served by the facility;
 - 5) Date and reason for any instances where the withdrawal capacity of a facility was limited due to unforeseen circumstances, such as equipment breakdowns, within the last five years.
- c) Supporting work papers shall include:
 - 1) An explanation of how the replenishment rate will change for different levels of inventory; and
 - 2) Basis for replenishment rates.

Section 285.6320 Schedule F-12: Propane, LNG, and SNG Feedstock Inventory Levels – Gas Utilities

Provide the monthly level of feedstock inventory, including monthly injections and withdrawals, for each propane, LNG, and SNG facility for the three consecutive years immediately preceding the test year and the test year, in dollars and gallons.

SUBPART J: FUTURE TEST YEAR REQUIREMENTS

Section 285.7000 Instructions for Subpart J

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- a) A utility, subject to the requirements of this Part, selecting a future test year as defined in 83 Ill. Adm. Code 287 shall provide the additional schedules required by Subpart J.
- b) Schedules shall present information on a total company basis, unless otherwise specified. If the utility maintains separate books for each service area, and on an applicable service basis, for which separate tariffs exist (e.g., district, division, etc.), the schedules shall present information for each service area for which a change in rates is requested. In addition, if common rates are requested for a service area for which separate tariffs currently exist, the utility shall present information for each service area requesting common rates and the combined service areas requesting common rates.

Section 285.7005 Schedule G-1: Comparison of Prior Forecasts to Actual Data – Prior Three Years

- a) Schedule G-1 shall compare forecast period data to actual data to demonstrate the reliability and accuracy of the utility's forecast for each of the prior three years. The prior years' forecast data are to represent the original approved budget for the period.
- b) Work papers supporting Schedule G-1 shall include:
 - 1) The original, and all amendments, of operating and capital budgets or forecasts for each of the three consecutive years immediately preceding the test year and those in support of the test year; and
 - 2) A budget manual or formalized budget guidelines and procedures used to develop the utility's most recent budget.

Section 285.7010 Schedule G-2: Statement from the Independent Certified Public Accountant

- a) Schedule G-2 shall be a statement from independent certified public accountants that the preparation and presentation of the applicable schedules comply with the Guide for Prospective Financial Information as of April 1, 1999 (copyright 1999) by the American Institute of Certified Public Accountants (1211 Avenue of the Americas, New York NY 10036-8775). No later amendment or edition is included in this incorporation.
- b) The work papers of the independent certified public accountant supporting the statement required in subsection (a) shall be made available to the Commission Staff at the utility's office. The work papers shall also include the engagement letter, representation letter, and any additional correspondence between the utility and the independent certified public accountant regarding the engagement.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

Section 285.7015 Schedule G-3: Statement on Assumptions Used in the Forecast

- a) Schedule G-3 shall be a statement indicating whether the forecast for the test year contains the same assumptions and methodologies used in forecasts prepared for management or other entities such as the Securities and Exchange Commission, security rating companies and agencies, underwriters, and investors.
- b) Schedule G-3 shall also include an explanation of any differences between the assumptions and methodologies used in the forecast forming the basis of the test year selected by the utility and the assumptions and methodologies used in forecasts prepared for management or other entities.

Section 285.7020 Schedule G-4: Statement on Accounting Treatment

- a) Schedule G-4 shall be a statement that the accounting treatment applied to anticipated events and transactions in the forecast is the same as the accounting treatment to be applied in recording the events once they have occurred.
- b) Schedule G-4 shall also include an explanation of any differences between the accounting treatment applied to anticipated events and transactions in the forecast forming the basis of the test year selected by the utility and the accounting treatment to be applied in recording the event once it has occurred.

Section 285.7025 Schedule G-5: Assumptions Used in the Forecast

Schedule G-5 shall include the principal assumptions used in preparing the projected information forming the basis for the test year selected by the utility.

Section 285.7030 Schedule G-6: Inflation

- a) Schedule G-6 shall identify the rate of inflation applied to accounts, portions of accounts, or budget items inflated by an index for the future test year.
- b) Information provided shall include the following information on each of the accounts, portions of the accounts, or budget items inflated by an index:
 - 1) Account or budget item;
 - 2) Description;
 - 3) Dollar base to which inflation factor was applied;
 - 4) Inflation factor; and
 - 5) The product of multiplying the amount in subsection (b)(3) by the amount in subsection (b)(4) that represents an amount for inflation included within the test year.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

Section 285.7035 Schedule G-7: Proration of Accumulated Deferred Income Taxes

Provide the calculation for the proration of accumulated deferred income taxes attributable to the accelerated depreciation of public utility property pursuant to section 168(i)(9)(B) of the Internal Revenue Code (26 USC 168(i)(9)(B)) for the exclusion of the normalization reserve from rate base. The calculated average balance of accumulated deferred income taxes attributable to the accelerated depreciation of public utility property shall be presented on Schedule B-9.

Section 285.7045 Schedule G-8: Actual Gross Additions and Retirements Compared to Original Budget

Provide a comparison by plant function of the original budget of capital additions and retirements to actual capital additions and retirements for each of the most recent three years.

Section 285.7050 Schedule G-9: Comparison of Budgeted Non-Payroll Expense to Actual

- a) Provide, by ICC Account number, with operation and maintenance shown by individual operation and maintenance expense account (or utility account number or budget item, if utility account numbers or budget items are in similar detail or greater detail when compared to ICC Account numbers), actual non-payroll expense compared with budgeted non-payroll expense for each of the three consecutive budget years immediately preceding the test year for which actual data exist. The budgeted non-payroll expense shall represent the originally approved budget. If budgeted amounts are not available by ICC Account number, utility account number or budget, provide the comparison by function (for example, power production – operation, power production – maintenance, distribution – operation, distribution – maintenance, etc.).
- b) Information provided shall include:
 - 1) Account number;
 - 2) Account description;
 - 3) Actual non-payroll expense in third prior year;
 - 4) Budgeted non-payroll expense in third prior year;
 - 5) Difference between actual and budgeted non-payroll expense in third prior year;
 - 6) Percentage change for difference between budgeted and actual non-payroll expense in third prior year;
 - 7) Actual non-payroll expense in second prior year;
 - 8) Budgeted non-payroll expense in second prior year;
 - 9) Difference between actual and budgeted non-payroll expense in second prior year;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 10) Percentage change for difference between budgeted and actual non-payroll expense in second prior year;
 - 11) Actual non-payroll expense in prior year;
 - 12) Budgeted non-payroll expense in prior year;
 - 13) Difference between actual and budgeted non-payroll expense in prior year; and
 - 14) Percentage change for difference between budgeted and actual non-payroll expense in prior year.
- c) Supporting work papers shall include explanations for percentage differences of 15% or more identified in subsection (b)(14).

Section 285.7055 Schedule G-10: Budgeted Payroll Expense

- a) Provide, by ICC Account number, operation and maintenance by individual operation and maintenance expense account (or utility account number or budget item, if utility account numbers or budget items are in similar detail or greater detail when compared to ICC Account numbers), actual direct payroll expense as defined by Section 285.115 compared with the budgeted payroll expense for each of the three consecutive budget years immediately preceding the test year for which actual data exist and the test year. The budgeted payroll expense shall represent the originally approved budget. If budgeted amounts are not available by ICC Account number, utility account number or budget, provide the comparison by function (for example, power production – operation, power production maintenance, distribution – operation, distribution – maintenance, etc.).
- b) Information provided shall include:
 - 1) Account number;
 - 2) Account description;
 - 3) Actual payroll expense in third prior year;
 - 4) Budgeted payroll expense in third prior year;
 - 5) Difference between actual and budgeted payroll expense in third prior year;
 - 6) Percentage change for difference between budgeted and actual payroll expense in third prior year;
 - 7) Actual payroll expense in second prior year;
 - 8) Budgeted payroll expense in second prior year;
 - 9) Difference between actual and budgeted payroll expense in second prior year;
 - 10) Percentage change for difference between budgeted and actual payroll expense in second prior year;
 - 11) Actual payroll expense in the year prior to the test year;
 - 12) Budgeted payroll expense in the year prior to the test year;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 13) Difference between actual and budgeted payroll expense in the year prior to the test year;
 - 14) Percentage change for difference between budgeted and actual payroll expense in the year prior to the test year; and
 - 15) Payroll expense reflected in test year.
- c) Supporting work papers shall include:
- 1) Explanations for percentage differences of 15% or more identified in subsection (b)(14);
 - 2) Actual direct payroll expense for each month of the three consecutive years identified in subsections (b)(3), (b)(7), and (b)(11); and
 - 3) Direct payroll expense included within the original budget for each month of the three consecutive years identified in subsections (b)(4), (b)(8), and (b)(12) and identified in subsection (b)(15) for the test year.

Section 285.7060 Schedule G-11: Budgeted Number of Employees

- a) Schedule G-12 shall list the number of employees by department included within the original, approved budget in each month of the three consecutive years immediately preceding the test year, for which actual data exist, and the test year.
- b) Information shall include:
 - 1) Number of full time employees;
 - 2) Number of part time employees;
 - 3) Number of full time equivalents for part time employees (i.e., if a full time employee is defined as working 40 hours per week, then part time, non-overtime hours divided by 40 would yield the number of full time equivalents); and
 - 4) Total full time equivalents (sum of amounts in subsections (b)(1) and (b)(3)).

Section 285.7065 Schedule G-12: Forecasted Property Taxes

- a) Provide information on the forecasted property taxes for the test year. If the information for the year immediately preceding the test year reflected on Schedule C-19 represents a combination of actual and forecasted data, provide information for the year preceding the test year also.
- b) Information provided shall include:
 - 1) Description of the methodology used to derive forecasted amounts reflected on Schedule C-19;
 - 2) Equalized assessed value by county; and
 - 3) Effective tax rate by county with the basis for the escalation rate used.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- c) Provide the amount of property tax recoveries obtained from any appeals process for each of the three consecutive years immediately preceding the test year.

Section 285.7070 Schedule G-13: Comparison of Actual Financial Results to the Originally Approved Forecast for Each of the Past Twelve Months and Eight Subsequent Months

Provide a comparison of each month's actual financial results to each month's forecast within the utility's originally approved annual forecast for each of the past 12 months at the time of filing and each of the eight subsequent months as available.

Section 285.7075 Financial Statements

Provide the following financial statements (including the most recently completed calendar or fiscal year through the end of the future test year) on a total company basis (including utility subsidiaries). Amounts attributable to non-utility subsidiaries shall be identified and shown separately:

- a) Income statement, including non-jurisdictional service revenues to be identified as Schedule G-15;
- b) Balance sheet to be identified as Schedule G-16 (This schedule may be omitted if already provided pursuant to Section 285.2020.);
- c) Statement of cash flows to be identified as Schedule G-17 (This schedule may be omitted if already provided pursuant to Section 285.4090(d).); and
- d) Statement of retained earnings to be identified as Schedule G-18.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

Section 285.APPENDIX A Work Paper Referencing System

POSITION	DESCRIPTION
1 & 2	First and second characters will always be "WP", which denotes work papers.
3	Position 3 will always represent the section of standard information requirement schedules to which the work papers are related. The sections are: A Revenue and Financial Summaries B Rate Base C Operating Income D Rate of Return E Rate and Tariff F Financial Projection G Planning and Operations H Future Test Year Requirements
4	Position 4 will always represent the schedule number within a section. The first schedule within a section will always be "1", the second "2", etc. Several standard schedule numbers have been assigned. If the utility wishes to apply additional schedules in any section, the next available (unassigned) schedule number in the appropriate section shall be used.
5	Position Schedules that feed a specific schedule number shall be identified by the fourth position. The first supporting schedule shall have positions 3 and 4 coded with the section and schedule number that the supporting schedules feed, and it shall be numbered "1", the second "2", etc.

For example:

The standard number assigned to the Operating Income Adjustment Summary Schedule is C-3. The first adjustment shall be supported by a separate schedule numbered C-3.1. The second adjustment

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

supporting schedule shall be C-3.2. The work papers would be indexed WPC-3.1 and WPC-3.2, respectively.

6

Position

Data is required for supporting a schedule identified by the 5-position digit. The first additional supporting schedule shall be identified with the lower case letter "a", the second "b", etc. In all cases where the 6th position is used, the 3rd, 4th, and 5th position characters shall be coded with the section, schedule and supporting schedule that the additional data supports.

For example:

Information provided as additional support for adjustment C-3.1 would be coded in the work papers as: WPC-3.1 a, b, c . . . etc.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 1) Heading of the Part: Submission of Rate Case Testimony
- 2) Code Citation: 83 Ill. Adm. Code 286
- 3)

<u>Section Numbers</u> :	<u>Proposed Action</u> :
286.10	New Section
286.20	New Section
286.30	New Section
286.40	New Section
- 4) Statutory Authority: Implementing Section 9-201 and authorized by Section 10-101 of the Public Utilities Act [220 ILCS 5/9-201 and 10-101]
- 5) A Complete Description of the Subjects and Issues Involved: The submission of rate case testimony has been treated in the current 83 Ill. Adm. Code 285. Information provided in response to the requirements of Part 285 is used to assist Staff in its review of rate case filings. Information provided pursuant to Part 285 does not normally become part of the record. Testimony, on the other hand, is provided for the specific purpose of being entered into the record. Testimony is distinguishable from the filing requirements of Part 285, so the Commission is proposing to handle this subject in separate rules, 83 Ill. Adm. Code 286.
- 6) Will these proposed rules replace emergency rules currently in effect? No
- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Do these proposed rules contain incorporations by reference? No
- 9) Are there any other proposed amendments pending on this Part? No
- 10) Statement of Statewide Policy Objective: These proposed rules neither create nor expand any State mandate on units of local government, school districts, or community college districts.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Comments should be filed , within 45 days, after the date of this issue of the *Illinois Register* in Docket 02-0509 with:
- Donna M. Caton
Chief Clerk
Illinois Commerce Commission
527 East Capitol Avenue
Springfield IL 62701
(217)782-7434
- 12) Initial Regulatory Flexibility Analysis :
- A) Types of small businesses, small municipalities and not for profit corporations affected: These rules will affect any subject jurisdictional entities that are also small businesses as defined in the Illinois Administrative Procedure Act. These rules will not affect any small municipalities or not for profit corporations that are not jurisdictional entities.
- B) Reporting, bookkeeping or other procedures required for compliance: Filing procedures
- C) Types of professional skills necessary for compliance: Managerial skills
- 13) Regulatory Agenda on which this rulemaking was summarized: This rulemaking was not included on either of the 2 most recent regulatory agendas because: the Commission did not anticipate the need for this Part at that time.

The full text of the Proposed Rules begins on the next page:

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

TITLE 83: PUBLIC UTILITIES

CHAPTER I: ILLINOIS COMMERCE COMMISSION
SUBCHAPTER b: PROVISIONS APPLICABLE TO MORE THAN
ONE KIND OF UTILITYPART 286
SUBMISSION OF RATE CASE TESTIMONY

Section

- 286.10 Applicability
- 286.20 Submission of Prepared Testimony
- 286.30 Schedules and Work Papers Required to Support the Utility's Revised Revenue Requirement
- 286.40 Work Papers Supporting the Testimony of Parties Other Than the Utility

AUTHORITY: Implementing Section 9-201 and authorized by Section 10-101 of the Public Utilities Act [220 ILCS 5/9-201 and 10-101].

SOURCE: Adopted at 26 Ill. Reg. _____, effective _____.

Section 286.10 Applicability

This Part shall apply to all public utilities as defined in Section 3-105 of the Public Utilities Act (Act) [220 ILCS 5/3-105] and to those telecommunications carriers as defined in Section 13-202 of the Act [220 ILCS 5/13-202] that are subject to the requirements of Section 9-201 of the Act [220 ILCS 5/9-201] and 83 Ill. Adm. Code 285. As used in this Part, the term "utilities" shall include both public utilities and those telecommunications carriers to which this Part is applicable.

Section 286.20 Submission of Prepared Testimony

- a) Direct testimony.
 - 1) Utilities shall, at the time of filing tariffs for a base rate increase, file the prepared direct testimony of any witnesses and any exhibits in support of the utility's proposed tariffs.
 - 2) For each project listed in 83 Ill. Adm. Code 285.7100(a), the utility's direct testimony shall include at least the following information that the utility relied upon to support its conclusion that its investment in the project is both prudent and used and useful in providing utility service:

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- A) A description of all reports, studies, forecasts, documentation, or other factors that the utility relied upon to support its conclusion; and
 - B) A description of the manner in which the utility's use of the described reports, studies, forecasts, documentation or other factors in planning, constructing or operating the projects supports the utility's conclusion.
- 3) The utility shall also submit a minimum of seven copies of the testimony and exhibits to the Director of the Financial Analysis Division or any successor division of the Illinois Commerce Commission (Commission) at the time of filing.
- b) Supplemental direct testimony. Submission of direct testimony shall not preclude submission of supplemental direct testimony with good cause shown. In determining whether good cause has been shown, the Commission shall consider, among other things, the degree to which the information that is the subject of the supplemental direct testimony was not known to the utility at the time direct testimony was filed, and the degree to which facts have changed due to circumstances beyond the control of the utility.
- c) Nothing in this Section shall be construed as limiting:
- 1) Updates to the rate of return on rate base during the rebuttal phase of the rate proceeding;
 - 2) Updates or adjustments pursuant to 83 Ill. Adm. Code 287; or
 - 3) The submission of post record data pursuant to 83 Ill. Adm. Code 200.875.
- d) Nothing in this Section shall be construed to limit the submission of corrections of mistakes or inadvertent omissions, provided no party is prejudiced by that submission.

Section 286.30 Schedules and Work Papers Required to Support the Utility's Revised Revenue Requirement

When, subsequent to the date of filing initial rates or tariffs in a rate proceeding, a utility files testimony or exhibits with a revised revenue requirement or a revenue increase different from the revenue increase previously presented on Schedule A-2 as required by 83 Ill. Adm. Code 285.1005(h), the utility shall provide the schedules and work papers supporting the revised revenue requirement at the time of filing the testimony in accordance with the requirements of 83 Ill. Adm. Code 285.

- a) The schedules shall be identified in the upper right hand corner with the appropriate schedule reference, the revision date, and the docket number. The following schedules, if affected by the change in the proposed revenue requirement, are required:

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 1) An overall financial summary as defined by 83 Ill. Adm. Code 285.1005 to be identified as Revised Schedule A-2;
 - 2) A jurisdictional rate base summary as defined by 83 Ill. Adm. Code 285.2005 to be identified as Revised Schedule B-1, except that the presentation of rate base components shall include:
 - A) Prior balance sponsored by the utility;
 - B) Adjustment; and
 - C) Adjusted requested balance;
 - 3) A summary of rate base adjustments as defined by 83 Ill. Adm. Code 285.2010 to be identified as Revised Schedule B-2 that reflects the individual adjustments to rate base included within the aggregated total adjustment amount reflected on Revised Schedule B-1;
 - 4) A schedule of each rate base adjustment providing support for the adjustment as defined by 83 Ill. Adm. Code 285.2015 to be identified as Revised Schedule B-2.1, B-2.2, etc.;
 - 5) A jurisdictional operating income summary as defined by 83 Ill. Adm. Code 285.3005 to be identified as Revised Schedule C-1, except that the presentation of the components of operating income shall include:
 - A) Prior pro forma balance at present rates;
 - B) Total of adjustments;
 - C) Revised pro forma balance at present rates;
 - D) Requested rate increase; and
 - E) Pro forma balance at proposed rates;
 - 6) A summary of the adjustments to operating income as defined by 83 Ill. Adm. Code 285.3010 to be identified as Revised Schedule C-2 that reflects the individual adjustments to operating income within the aggregated total adjustment amount reflected on the jurisdictional operating income summary;
 - 7) A schedule of each adjustment to operating income providing support for the adjustment as defined by 83 Ill. Adm. Code 285.3015 to be identified as Revised Schedule C-2.1, C-2.2, etc.; and
 - 8) All schedules as defined by 83 Ill. Adm. Code 285.Subpart G affected by that revision.
- b) Work papers are required for, but not limited to, the work papers prescribed by the schedules submitted in support of the revised tariffs or revised revenue requirement. In addition, all work papers shall:
- 1) Be keyed to the appropriate text or testimony exhibit;
 - 2) Contain the name of the person responsible for the work paper and the date prepared;

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 3) Be cross-referenced wherever possible to minimize duplication of data;
and
- 4) Include assumptions, schedule amounts, narrative or other support so that the reasonableness of the work paper can be reviewed.

Section 286.40 Work Papers Supporting the Testimony of Parties Other Than the Utility

Provision of work papers supporting the testimony of parties other than the utility shall be determined at the pre-hearing conference.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 1) Heading of the Part: Rate Case Test Year
- 2) Code Citation: 83 Ill. Adm. Code 287
- 3)

<u>Section Numbers</u> :	<u>Proposed Action</u> :
287.10	New Section
287.20	New Section
287.30	New Section
287.40	New Section
- 4) Statutory Authority: Implementing Section 9-201 and authorized by Section 10-101 of the Public Utilities Act [220 ILCS 5/9-201 and 10-101]
- 5) A Complete Description of the Subjects and Issues Involved: The subject of rate case test year has been treated in 83 Ill. Adm. Code 285. Like the filing of rate case testimony, the test year is also a subject which is not a filing requirement. The test year is identified for purposes of the record in the filing company's testimony. Much of the information provided in response to the requirements of Part 285 will cover a period of time which reflects the test year, or which is at the end of the test year. These rules are being proposed to more clearly establish separate test year rules.
- 6) Will these proposed rules replace emergency rules currently in effect? No
- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Do these proposed rules contain incorporations by reference? No
- 9) Are there any other proposed rules pending on this Part? No
- 10) Statement of Statewide Policy Objective: These proposed rules neither create nor expand any State mandate on units of local government, school districts, or community college districts.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

- 11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking:

Comments should be filed , within 45 days, after the date of this issue of the *Illinois Register* in Docket 02-0509 with:

Donna M. Caton
Chief Clerk
Illinois Commerce Commission
527 East Capitol Avenue
Springfield IL 62701
(217)782-7434

- 12) Initial Regulatory Flexibility Analysis:

- A) Types of small businesses, small municipalities and not for profit corporations affected: These rules will affect any subject jurisdictional entities that are also small businesses as defined in the Illinois Administrative Procedure Act. These rules will not affect any small municipalities or not for profit corporations that are not otherwise jurisdictional entities.
- B) Reporting, bookkeeping or other procedures required for compliance: Filing procedures
- C) Types of professional skills necessary for compliance: Managerial skills

- 13) Regulatory Agenda on which this rulemaking was summarized: This rulemaking was not included on either of the 2 most recent regulatory agendas because: the Commission did not anticipate the need for this Part at that time.

The full text of the Proposed Rules begins on the next page:

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

TITLE 83: PUBLIC UTILITIES
CHAPTER I: ILLINOIS COMMERCE COMMISSION
SUBCHAPTER b: PROVISIONS APPLICABLE TO MORE THAN
ONE KIND OF UTILITYPART 287
RATE CASE TEST YEAR

Section

287.10	Applicability
287.20	Test Year Options
287.30	Updates to Future Test Year Data
287.40	Pro Forma Adjustments to Historical Test Year Data

AUTHORITY: Implementing Section 9-201 and authorized by Section 10-101 of the Public Utilities Act [220 ILCS 5/9-201 and 10-101].

Adopted at 26 Ill. Reg. _____, effective _____.

Section 287.10 Applicability

This Part shall apply to all public utilities as defined in Section 3-105 of the Public Utilities Act (Act) [220 ILCS 5/3-105] and to those telecommunications carriers as defined in Section 13-202 of the Act [220 ILCS 5/13-202] that are subject to the requirements of Section 9-201 of the Act [220 ILCS 5/9-201] and 83 Ill. Adm. Code 285. As used in this Part, "utility" shall include both public utilities and those telecommunications carriers to which this Part is applicable.

Section 287.20 Test Year Options

A utility, at its option, may propose either one of the following periods as its proposed test year:

- a) Historical. Any consecutive 12 month period for which actual data are available at the time of filing new tariffs; or
- b) Future. Any consecutive 12 month period of forecasted data beginning no earlier than the date new tariffs are filed and ending no later than 24 months after the date new tariffs are filed.

Section 287.30 Updates to Future Test Year Data

- a) During the suspension period, the assigned Administrative Law Judge may require or allow the utility to update its schedules and workpapers, if a utility has proposed a future test year, according to the schedule established in the

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

proceeding when evidence has been introduced that a significant and material change affecting the revenue requirement as defined in subsection (c) of this Section has occurred. In establishing this schedule, the Administrative Law Judge shall consider the timing and scope of the updated filing. A utility shall not be allowed or required to submit more than one updated filing, or to submit an updated filing during the final 150 days of the resuspension period. When data are updated, the utility shall also provide updated information for any affected schedules and work papers originally submitted as a requirement of 83 Ill. Adm. Code 285.

- b) A determination to require or allow the submission of an update shall include, but not be limited to, the consideration of:
 - 1) Whether the changes significantly and materially affect the revenue requirement;
 - 2) Whether the changes could have been reflected in the initial tariff filing; and
 - 3) Whether the Illinois Commerce Commission staff and other participants will have an adequate opportunity to review the updated information.
- c) Examples of "significant and material" changes would include changes since the original filing of tariffs to factors including, but not limited to:
 - 1) Contractual obligations;
 - 2) Revenue requirements;
 - 3) Additions or losses of customers served; and
 - 4) Governmental requirements or levies, such as tax rates or environmental requirements.
- d) Whenever the utility updates projected data in its selected test year, it shall provide a reconciliation of original and updated data and identify and support the changes in its testimony and exhibits.
- e) Nothing in this Section shall be construed as a limitation on updates to the rate of return on rate base during the rebuttal phase of the rate proceeding.

Section 287.40 Pro Forma Adjustments to Historical Test Year Data

A utility shall propose pro forma adjustments (estimated or calculated adjustments made in the same context and format in which the affected information was provided) to the selected historical test year for all known and measurable changes in the operating results of the test year. These adjustments shall reflect changes affecting the ratepayers in plant investment, operating revenues, expenses, and cost of capital where such changes occurred during the selected historical test year or are reasonably certain to occur subsequent to the historical test year within 12 months after the filing date of the tariffs and where the amounts of the changes are determinable. Attrition or inflation factors shall not be substituted for a specific study of

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED RULES

individual capital, revenue, and expense components. Any proposed known and measurable adjustment to the test year shall be individually identified and supported in the direct testimony of the utility. Each adjustment shall be submitted according to the standard information requirement schedules prescribed in 83 Ill. Adm. Code 285.

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENT

- 1) Heading of the Part: Medical Payment
- 2) Code Citation: 89 Ill. Adm. Code 140
- 3) Section Number: 140.530 Proposed Action: Amendment
- 4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-13].
- 5) Complete Description of the Subjects and Issues Involved: The Department is proposing changes concerning the rate methodology for Medicaid funded nursing facilities that are owned or operated by a county in Illinois. Under these amendments, county owned or operated nursing facilities will be reimbursed at 94 percent of the rate that such facilities would receive under Medicare payment principles. By applying Medicare payment principles, payments to county nursing facilities will be increased and the State will maximize the Medicaid funding that may be matched by the federal government. These higher rates will bring additional federal matching funds to Illinois. This new payment methodology for county nursing facilities will be implemented in accordance with inter-governmental agreements between the Department and the counties involved and will specify the responsibilities of the two parties with respect to the provision and funding of services provided by the facilities. The proposed changes are expected to result in a budgetary increase of \$94 million.
- 6) Will these proposed amendments replace emergency amendments currently in effect? No
- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Do these proposed amendments contain incorporations by reference? No
- 9) Are there any other proposed amendments pending on this Part? Yes

<u>Sections</u>	<u>Proposed Action</u>	<u>Illinois Register Citation</u>
140.20	Amendment	March 15, 2002 (26 Ill. Reg. 3852)
140.21	Amendment	August 9, 2002 (26 Ill. Reg. 12126)
140.71	Amendment	August 9, 2002 (26 Ill. Reg. 12545)

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENT

140.402	Amendment	July 19, 2002 (26 Ill. Reg. 11210)
140.405	New Section	May 24, 2002 (26 Ill. Reg. 7647)
140.445	Amendment	July 19, 2002 (26 Ill. Reg. 11210)
140.450	Amendment	June 7, 2002 (26 Ill. Reg. 8243)
140.481	Amendment	July 19, 2002 (26 Ill. Reg. 11210)
140.492	Amendment	July 19, 2002 (26 Ill. Reg. 11210)
140.493	Amendment	July 19, 2002 (26 Ill. Reg. 11210)
140.523	Amendment	July 19, 2002 (26 Ill. Reg. 10243)

- 10) Statement of Statewide Policy Objective: These proposed amendments do not affect units of local government.
- 11) Time, Place, and Manner in Which Interested Persons May Comment on this Proposed Rulemaking: Any interested parties may submit comments, data, views, or arguments concerning this proposed rulemaking. All comments must be in writing and should be addressed to:

Joanne Scattoloni
Office of the General Counsel, Rules Section
Illinois Department of Public Aid
201 South Grand Avenue East, Third Floor
Springfield, Illinois 62763-0002
(217)524-0081

The Department requests the submission of written comments within 30 days after the publication of this notice. The Department will consider all written comments it receives during the first notice period as required by Section 5-40 of the Illinois Administrative Procedure Act [5 ILCS 100/5-40].

Any interested persons may review these proposed amendments at the Illinois Department of Human Services' local offices located in each county (except Cook County). In Cook County, the amendments may be reviewed at the Office of the Director, Illinois Department of Public Aid, 100 West Randolph, Tenth Floor, Chicago, Illinois, and the Office of the Secretary, Illinois Department of Human Services, 401 South Clinton, Seventh Floor, Chicago, Illinois. The amendments may be reviewed at all offices Monday through Friday from 8:30 a.m. until 5:00 p.m. This notice is being provided in accordance with federal requirements at 42 CFR 447.205.

These proposed amendments may have an impact on small businesses, small municipalities, and not-for-profit corporations as defined in Sections 1-75, 1-80 and 1-85 of the Illinois Administrative Procedure Act [5 ILCS 100/1-75, 1-80, 1-85]. These entities

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENT

may submit comments in writing to the Department at the above address in accordance with the regulatory flexibility provisions in Section 5-30 of the Illinois Administrative Procedure Act [5 ILCS 100/5-30]. These entities shall indicate its status as small businesses, small municipalities, or not-for-profit corporations as part of any written comments submitted to the Department.

12) Initial Regulatory Flexibility Analysis:

- A) Types of small businesses, small municipalities and not-for-profit corporations affected: County owned or operated nursing facilities will be affected by this rulemaking.
- B) Reporting, bookkeeping or other procedures required for compliance: None
- C) Types of professional skills necessary for compliance: None

13) Regulatory Agenda on Which this Rulemaking Was Summarized: These proposed amendments were not included on either of the two most recent regulatory agendas because: this rulemaking was not anticipated by the Department when the most recent regulatory agendas were published.

The full text of the Proposed Amendment begins on the next page:

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENT

TITLE 89: SOCIAL SERVICES
CHAPTER I: DEPARTMENT OF PUBLIC AID
SUBCHAPTER d: MEDICAL PROGRAMSPART 140
MEDICAL PAYMENT
SUBPART A: GENERAL PROVISIONS

Section

- 140.1 Incorporation By Reference
- 140.2 Medical Assistance Programs
- 140.3 Covered Services Under Medical Assistance Programs
- 140.4 Covered Medical Services Under AFDC-MANG for non-pregnant persons who are 18 years of age or older (Repealed)
- 140.5 Covered Medical Services Under General Assistance
- 140.6 Medical Services Not Covered
- 140.7 Medical Assistance Provided to Individuals Under the Age of Eighteen Who Do Not Qualify for AFDC and Children Under Age Eight
- 140.8 Medical Assistance For Qualified Severely Impaired Individuals
- 140.9 Medical Assistance for a Pregnant Woman Who Would Not Be Categorically Eligible for AFDC/AFDC-MANG if the Child Were Already Born Or Who Do Not Qualify As Mandatory Categorically Needy
- 140.10 Medical Assistance Provided to Incarcerated Persons

SUBPART B: MEDICAL PROVIDER PARTICIPATION

Section

- 140.11 Enrollment Conditions for Medical Providers
- 140.12 Participation Requirements for Medical Providers
- 140.13 Definitions
- 140.14 Denial of Application to Participate in the Medical Assistance Program
- 140.15 Recovery of Money
- 140.16 Termination or Suspension of a Vendor's Eligibility to Participate in the Medical Assistance Program
- 140.17 Suspension of a Vendor's Eligibility to Participate in the Medical Assistance Program
- 140.18 Effect of Termination on Individuals Associated with Vendor
- 140.19 Application to Participate or for Reinstatement Subsequent to Termination, Suspension or Barring
- 140.20 Submittal of Claims

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENT

- 140.21 Covered Medicaid Services for Qualified Medicare Beneficiaries (QMBs)
- 140.22 Magnetic Tape Billings (Repealed)
- 140.23 Payment of Claims
- 140.24 Payment Procedures
- 140.25 Overpayment or Underpayment of Claims
- 140.26 Payment to Factors Prohibited
- 140.27 Assignment of Vendor Payments
- 140.28 Record Requirements for Medical Providers
- 140.30 Audits
- 140.31 Emergency Services Audits
- 140.32 Prohibition on Participation, and Special Permission for Participation
- 140.33 Publication of List of Terminated, Suspended or Barred Entities
- 140.35 False Reporting and Other Fraudulent Activities
- 140.40 Prior Approval for Medical Services or Items
- 140.41 Prior Approval in Cases of Emergency
- 140.42 Limitation on Prior Approval
- 140.43 Post Approval for items or Services When Prior Approval Cannot Be Obtained
- 140.55 Recipient Eligibility Verification (REV) System
- 140.71 Reimbursement for Medical Services Through the Use of a C-13 Invoice Voucher
Advance Payment and Expedited Payments
- 140.72 Drug Manual (Recodified)
- 140.73 Drug Manual Updates (Recodified)

SUBPART C: PROVIDER ASSESSMENTS

- Section
- 140.80 Hospital Provider Fund
- 140.82 Developmentally Disabled Care Provider Fund
- 140.84 Long Term Care Provider Fund
- 140.94 Medicaid Developmentally Disabled Provider Participation Fee Trust
Fund/Medicaid Long Term Care Provider Participation Fee Trust Fund
- 140.95 Hospital Services Trust Fund
- 140.96 General Requirements (Recodified)
- 140.97 Special Requirements (Recodified)
- 140.98 Covered Hospital Services (Recodified)
- 140.99 Hospital Services Not Covered (Recodified)
- 140.100 Limitation On Hospital Services (Recodified)
- 140.101 Transplants (Recodified)
- 140.102 Heart Transplants (Recodified)
- 140.103 Liver Transplants (Recodified)

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENT

- 140.104 Bone Marrow Transplants (Recodified)
- 140.110 Disproportionate Share Hospital Adjustments (Recodified)
- 140.116 Payment for Inpatient Services for GA (Recodified)
- 140.117 Hospital Outpatient and Clinic Services (Recodified)
- 140.200 Payment for Hospital Services During Fiscal Year 1982 (Recodified)
- 140.201 Payment for Hospital Services After June 30, 1982 (Repealed)
- 140.202 Payment for Hospital Services During Fiscal Year 1983 (Recodified)
- 140.203 Limits on Length of Stay by Diagnosis (Recodified)
- 140.300 Payment for Pre-operative Days and Services Which Can Be Performed in an Outpatient Setting (Recodified)
- 140.350 Copayments (Recodified)
- 140.360 Payment Methodology (Recodified)
- 140.361 Non-Participating Hospitals (Recodified)
- 140.362 Pre July 1, 1989 Services (Recodified)
- 140.363 Post June 30, 1989 Services (Recodified)
- 140.364 Prepayment Review (Recodified)
- 140.365 Base Year Costs (Recodified)
- 140.366 Restructuring Adjustment (Recodified)
- 140.367 Inflation Adjustment (Recodified)
- 140.368 Volume Adjustment (Repealed)
- 140.369 Groupings (Recodified)
- 140.370 Rate Calculation (Recodified)
- 140.371 Payment (Recodified)
- 140.372 Review Procedure (Recodified)
- 140.373 Utilization (Repealed)
- 140.374 Alternatives (Recodified)
- 140.375 Exemptions (Recodified)
- 140.376 Utilization, Case-Mix and Discretionary Funds (Repealed)
- 140.390 Subacute Alcoholism and Substance Abuse Services (Recodified)
- 140.391 Definitions (Recodified)
- 140.392 Types of Subacute Alcoholism and Substance Abuse Services (Recodified)
- 140.394 Payment for Subacute Alcoholism and Substance Abuse Services (Recodified)
- 140.396 Rate Appeals for Subacute Alcoholism and Substance Abuse Services (Recodified)
- 140.398 Hearings (Recodified)

SUBPART D: PAYMENT FOR NON-INSTITUTIONAL SERVICES

Section

- 140.400 Payment to Practitioners
- 140.402 Copayments for Noninstitutional Medical Services

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENT

- 140.410 Physicians' Services
- 140.411 Covered Services By Physicians
- 140.412 Services Not Covered By Physicians
- 140.413 Limitation on Physician Services
- 140.414 Requirements for Prescriptions and Dispensing of Pharmacy Items - Physicians
- 140.416 Optometric Services and Materials
- 140.417 Limitations on Optometric Services
- 140.418 Department of Corrections Laboratory
- 140.420 Dental Services
- 140.421 Limitations on Dental Services
- 140.422 Requirements for Prescriptions and Dispensing Items of Pharmacy Items - Dentists
- 140.425 Podiatry Services
- 140.426 Limitations on Podiatry Services
- 140.427 Requirement for Prescriptions and Dispensing of Pharmacy Items - Podiatry
- 140.428 Chiropractic Services
- 140.429 Limitations on Chiropractic Services (Repealed)
- 140.430 Independent Clinical Laboratory Services
- 140.431 Services Not Covered by Independent Clinical Laboratories
- 140.432 Limitations on Independent Clinical Laboratory Services
- 140.433 Payment for Clinical Laboratory Services
- 140.434 Record Requirements for Independent Clinical Laboratories
- 140.435 Advanced Practice Nurse Services
- 140.436 Limitations on Advanced Practice Nurse Services
- 140.438 Imaging Centers
- 140.440 Pharmacy Services
- 140.441 Pharmacy Services Not Covered
- 140.442 Prior Approval of Prescriptions
- 140.443 Filling of Prescriptions
- 140.444 Compounded Prescriptions
- 140.445 Legend Prescription Items (Not Compounded)
- 140.446 Over-the-Counter Items
- 140.447 Reimbursement
- 140.448 Returned Pharmacy Items
- 140.449 Payment of Pharmacy Items
- 140.450 Record Requirements for Pharmacies
- 140.451 Prospective Drug Review and Patient Counseling
- 140.452 Mental Health Clinic Services
- 140.453 Definitions
- 140.454 Types of Mental Health Clinic Services
- 140.455 Payment for Mental Health Clinic Services

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENT

- 140.456 Hearings
- 140.457 Therapy Services
- 140.458 Prior Approval for Therapy Services
- 140.459 Payment for Therapy Services
- 140.460 Clinic Services
- 140.461 Clinic Participation, Data and Certification Requirements
- 140.462 Covered Services in Clinics
- 140.463 Clinic Service Payment
- 140.464 Healthy Moms/Healthy Kids Managed Care Clinics (Repealed)
- 140.465 Speech and Hearing Clinics (Repealed)
- 140.466 Rural Health Clinics (Repealed)
- 140.467 Independent Clinics
- 140.469 Hospice
- 140.470 Home Health Services
- 140.471 Home Health Covered Services
- 140.472 Types of Home Health Services
- 140.473 Prior Approval for Home Health Services
- 140.474 Payment for Home Health Services
- 140.475 Medical Equipment, Supplies, Prosthetic Devices and Orthotic Devices
- 140.476 Medical Equipment, Supplies, Prosthetic Devices and Orthotic Devices for Which Payment Will Not Be Made
- 140.477 Limitations on Equipment, Prosthetic Devices and Orthotic Devices
- 140.478 Prior Approval for Medical Equipment, Supplies, Prosthetic Devices and Orthotic Devices
- 140.479 Limitations, Medical Supplies
- 140.480 Equipment Rental Limitations
- 140.481 Payment for Medical Equipment, Supplies, Prosthetic Devices and Hearing Aids
- 140.482 Family Planning Services
- 140.483 Limitations on Family Planning Services
- 140.484 Payment for Family Planning Services
- 140.485 Healthy Kids Program
- 140.486 Limitations on Medichex Services (Repealed)
- 140.487 Healthy Kids Program Timeliness Standards
- 140.488 Periodicity Schedules, Immunizations and Diagnostic Laboratory Procedures
- 140.490 Medical Transportation
- 140.491 Limitations on Medical Transportation
- 140.492 Payment for Medical Transportation
- 140.493 Payment for Helicopter Transportation
- 140.494 Record Requirements for Medical Transportation Services
- 140.495 Psychological Services

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENT

- 140.496 Payment for Psychological Services
- 140.497 Hearing Aids

SUBPART E: GROUP CARE

Section

- 140.500 Long Term Care Services
- 140.502 Cessation of Payment at Federal Direction
- 140.503 Cessation of Payment for Improper Level of Care
- 140.504 Cessation of Payment Because of Termination of Facility
- 140.505 Informal Hearing Process for Denial of Payment for New ICF/MR
- 140.506 Provider Voluntary Withdrawal
- 140.507 Continuation of Provider Agreement
- 140.510 Determination of Need for Group Care
- 140.511 Long Term Care Services Covered by Department Payment
- 140.512 Utilization Control
- 140.513 Notification of Change in Resident Status
- 140.514 Certifications and Recertifications of Care
- 140.515 Management of Recipient Funds--Personal Allowance Funds
- 140.516 Recipient Management of Funds
- 140.517 Correspondent Management of Funds
- 140.518 Facility Management of Funds
- 140.519 Use or Accumulation of Funds
- 140.520 Management of Recipient Funds--Local Office Responsibility
- 140.521 Room and Board Accounts
- 140.522 Reconciliation of Recipient Funds
- 140.523 Bed Reserves
- 140.524 Cessation of Payment Due to Loss of License
- 140.525 Quality Incentive Program (QUIP) Payment Levels
- 140.526 Quality Incentive Standards and Criteria for the Quality Incentive Program (QUIP) (Repealed)
- 140.527 Quality Incentive Survey (Repealed)
- 140.528 Payment of Quality Incentive (Repealed)
- 140.529 Reviews (Repealed)
- 140.530 Basis of Payment for Long Term Care Services
- 140.531 General Service Costs
- 140.532 Health Care Costs
- 140.533 General Administration Costs
- 140.534 Ownership Costs
- 140.535 Costs for Interest, Taxes and Rent

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENT

- 140.536 Organization and Pre-Operating Costs
- 140.537 Payments to Related Organizations
- 140.538 Special Costs
- 140.539 Reimbursement for Basic Nursing Assistant, Developmental Disabilities Aide, Basic Child Care Aide and Habilitation Aide Training and Nursing Assistant Competency Evaluation
- 140.540 Costs Associated With Nursing Home Care Reform Act and Implementing Regulations
- 140.541 Salaries Paid to Owners or Related Parties
- 140.542 Cost Reports-Filing Requirements
- 140.543 Time Standards for Filing Cost Reports
- 140.544 Access to Cost Reports (Repealed)
- 140.545 Penalty for Failure to File Cost Reports
- 140.550 Update of Operating Costs
- 140.551 General Service Costs
- 140.552 Nursing and Program Costs
- 140.553 General Administrative Costs
- 140.554 Component Inflation Index
- 140.555 Minimum Wage
- 140.560 Components of the Base Rate Determination
- 140.561 Support Costs Components
- 140.562 Nursing Costs
- 140.563 Capital Costs
- 140.565 Kosher Kitchen Reimbursement
- 140.566 Out-of-State Placement
- 140.567 Level II Incentive Payments (Repealed)
- 140.568 Duration of Incentive Payments (Repealed)
- 140.569 Clients With Exceptional Care Needs
- 140.570 Capital Rate Component Determination
- 140.571 Capital Rate Calculation
- 140.572 Total Capital Rate
- 140.573 Other Capital Provisions
- 140.574 Capital Rates for Rented Facilities
- 140.575 Newly Constructed Facilities (Repealed)
- 140.576 Renovations (Repealed)
- 140.577 Capital Costs for Rented Facilities (Renumbered)
- 140.578 Property Taxes
- 140.579 Specialized Living Centers
- 140.580 Mandated Capital Improvements (Repealed)
- 140.581 Qualifying as Mandated Capital Improvement (Repealed)

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENT

- 140.582 Cost Adjustments
- 140.583 Campus Facilities
- 140.584 Illinois Municipal Retirement Fund (IMRF)
- 140.590 Audit and Record Requirements
- 140.642 Screening Assessment for Nursing Facility and Alternative Residential Settings and Services
- 140.643 In-Home Care Program
- 140.645 Home and Community Based Services Waivers for Medically Fragile, Technology Dependent, Disabled Persons Under Age 21
- 140.646 Reimbursement for Developmental Training (DT) Services for Individuals With Developmental Disabilities Who Reside in Long Term Care (ICF and SNF) and Residential (ICF/MR) Facilities
- 140.647 Description of Developmental Training (DT) Services
- 140.648 Determination of the Amount of Reimbursement for Developmental Training (DT) Programs
- 140.649 Effective Dates of Reimbursement for Developmental Training (DT) Programs
- 140.650 Certification of Developmental Training (DT) Programs
- 140.651 Decertification of Day Programs
- 140.652 Terms of Assurances and Contracts
- 140.680 Effective Date Of Payment Rate
- 140.700 Discharge of Long Term Care Residents
- 140.830 Appeals of Rate Determinations
- 140.835 Determination of Cap on Payments for Long Term Care (Repealed)

SUBPART F: FEDERAL CLAIMING FOR STATE AND LOCAL GOVERNMENTAL ENTITIES

- Section
- 140.850 Reimbursement of Administrative Expenditures
- 140.855 Administrative Claim Review and Reconsideration Procedure
- 140.860 Covered Services (Repealed)
- 140.865 Sponsor Qualifications (Repealed)
- 140.870 Sponsor Responsibilities (Repealed)
- 140.875 Department Responsibilities (Repealed)
- 140.880 Provider Qualifications (Repealed)
- 140.885 Provider Responsibilities (Repealed)
- 140.890 Payment Methodology (Repealed)
- 140.895 Contract Monitoring (Repealed)
- 140.896 Reimbursement For Program Costs (Active Treatment) For Clients in Long Term Care Facilities For the Developmentally Disabled (Recodified)

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENT

- 140.900 Reimbursement For Nursing Costs For Geriatric Residents in Group Care Facilities (Recodified)
- 140.901 Functional Areas of Needs (Recodified)
- 140.902 Service Needs (Recodified)
- 140.903 Definitions (Recodified)
- 140.904 Times and Staff Levels (Repealed)
- 140.905 Statewide Rates (Repealed)
- 140.906 Reconsiderations (Recodified)
- 140.907 Midnight Census Report (Recodified)
- 140.908 Times and Staff Levels (Recodified)
- 140.909 Statewide Rates (Recodified)
- 140.910 Referrals (Recodified)
- 140.911 Basic Rehabilitation Aide Training Program (Recodified)
- 140.912 Interim Nursing Rates (Recodified)

SUBPART G: MATERNAL AND CHILD HEALTH PROGRAM

Section

- 140.920 General Description
- 140.922 Covered Services
- 140.924 Maternal and Child Health Provider Participation Requirements
- 140.926 Client Eligibility (Repealed)
- 140.928 Client Enrollment and Program Components (Repealed)
- 140.930 Reimbursement
- 140.932 Payment Authorization for Referrals (Repealed)

SUBPART H: ILLINOIS COMPETITIVE ACCESS AND REIMBURSEMENT
EQUITY (ICARE) PROGRAM

Section

- 140.940 Illinois Competitive Access and Reimbursement Equity (ICARE) Program (Recodified)
- 140.942 Definition of Terms (Recodified)
- 140.944 Notification of Negotiations (Recodified)
- 140.946 Hospital Participation in ICARE Program Negotiations (Recodified)
- 140.948 Negotiation Procedures (Recodified)
- 140.950 Factors Considered in Awarding ICARE Contracts (Recodified)
- 140.952 Closing an ICARE Area (Recodified)
- 140.954 Administrative Review (Recodified)
- 140.956 Payments to Contracting Hospitals (Recodified)

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENT

- 140.958 Admitting and Clinical Privileges (Recodified)
140.960 Inpatient Hospital Care or Services by Non-Contracting Hospitals Eligible for Payment (Recodified)
140.962 Payment to Hospitals for Inpatient Services or Care not Provided under the ICARE Program (Recodified)
140.964 Contract Monitoring (Recodified)
140.966 Transfer of Recipients (Recodified)
140.968 Validity of Contracts (Recodified)
140.970 Termination of ICARE Contracts (Recodified)
140.972 Hospital Services Procurement Advisory Board (Recodified)
140.980 Elimination Of Aid To The Medically Indigent (AMI) Program (Emergency Expired)
140.982 Elimination Of Hospital Services For Persons Age Eighteen (18) And Older And Persons Married And Living With Spouse, Regardless Of Age (Emergency Expired)

- TABLE A Medichex Recommended Screening Procedures (Repealed)
TABLE B Geographic Areas
TABLE C Capital Cost Areas
TABLE D Schedule of Dental Procedures
TABLE E Time Limits for Processing of Prior Approval Requests
TABLE F Podiatry Service Schedule
TABLE G Travel Distance Standards
TABLE H Areas of Major Life Activity
TABLE I Staff Time and Allocation for Training Programs (Recodified)
TABLE J HSA Grouping (Repealed)
TABLE K Services Qualifying for 10% Add-On (Repealed)
TABLE L Services Qualifying for 10% Add-On to Surgical Incentive Add-On (Repealed)
TABLE M Enhanced Rates for Maternal and Child Health Provider Services

AUTHORITY: Implementing and authorized by Articles III, IV, V, VI and Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/Arts. III, IV, V, VI and 12-13].

SOURCE: Adopted at 3 Ill. Reg. 24, p. 166, effective June 10, 1979; rule repealed and new rule adopted at 6 Ill. Reg. 8374, effective July 6, 1982; emergency amendment at 6 Ill. Reg. 8508, effective July 6, 1982, for a maximum of 150 days; amended at 7 Ill. Reg. 681, effective December 30, 1982; amended at 7 Ill. Reg. 7956, effective July 1, 1983; amended at 7 Ill. Reg. 8308, effective July 1, 1983; amended at 7 Ill. Reg. 8271, effective July 5, 1983; emergency amendment at 7 Ill. Reg. 8354, effective July 5, 1983, for a maximum of 150 days; amended at 7 Ill. Reg. 8540, effective July 15, 1983; amended at 7 Ill. Reg. 9382, effective July 22, 1983; amended at 7 Ill. Reg. 12868, effective September 20, 1983; preemptory amendment at 7 Ill.

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENT

Reg. 15047, effective October 31, 1983; amended at 7 Ill. Reg. 17358, effective December 21, 1983; amended at 8 Ill. Reg. 254, effective December 21, 1983; emergency amendment at 8 Ill. Reg. 580, effective January 1, 1984, for a maximum of 150 days; codified at 8 Ill. Reg. 2483; amended at 8 Ill. Reg. 3012, effective February 22, 1984; amended at 8 Ill. Reg. 5262, effective April 9, 1984; amended at 8 Ill. Reg. 6785, effective April 27, 1984; amended at 8 Ill. Reg. 6983, effective May 9, 1984; amended at 8 Ill. Reg. 7258, effective May 16, 1984; emergency amendment at 8 Ill. Reg. 7910, effective May 22, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 7910, effective June 1, 1984; amended at 8 Ill. Reg. 10032, effective June 18, 1984; emergency amendment at 8 Ill. Reg. 10062, effective June 20, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 13343, effective July 17, 1984; amended at 8 Ill. Reg. 13779, effective July 24, 1984; Sections 140.72 and 140.73 recodified to 89 Ill. Adm. Code 141 at 8 Ill. Reg. 16354; amended (by adding sections being codified with no substantive change) at 8 Ill. Reg. 17899; peremptory amendment at 8 Ill. Reg. 18151, effective September 18, 1984; amended at 8 Ill. Reg. 21629, effective October 19, 1984; peremptory amendment at 8 Ill. Reg. 21677, effective October 24, 1984; amended at 8 Ill. Reg. 22097, effective October 24, 1984; peremptory amendment at 8 Ill. Reg. 22155, effective October 29, 1984; amended at 8 Ill. Reg. 23218, effective November 20, 1984; emergency amendment at 8 Ill. Reg. 23721, effective November 21, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 25067, effective December 19, 1984; emergency amendment at 9 Ill. Reg. 407, effective January 1, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 2697, effective February 22, 1985; amended at 9 Ill. Reg. 6235, effective April 19, 1985; amended at 9 Ill. Reg. 8677, effective May 28, 1985; amended at 9 Ill. Reg. 9564, effective June 5, 1985; amended at 9 Ill. Reg. 10025, effective June 26, 1985; emergency amendment at 9 Ill. Reg. 11403, effective June 27, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 11357, effective June 28, 1985; amended at 9 Ill. Reg. 12000, effective July 24, 1985; amended at 9 Ill. Reg. 12306, effective August 5, 1985; amended at 9 Ill. Reg. 13998, effective September 3, 1985; amended at 9 Ill. Reg. 14684, effective September 13, 1985; amended at 9 Ill. Reg. 15503, effective October 4, 1985; amended at 9 Ill. Reg. 16312, effective October 11, 1985; amended at 9 Ill. Reg. 19138, effective December 2, 1985; amended at 9 Ill. Reg. 19737, effective December 9, 1985; amended at 10 Ill. Reg. 238, effective December 27, 1985; emergency amendment at 10 Ill. Reg. 798, effective January 1, 1986, for a maximum of 150 days; amended at 10 Ill. Reg. 672, effective January 6, 1986; amended at 10 Ill. Reg. 1206, effective January 13, 1986; amended at 10 Ill. Reg. 3041, effective January 24, 1986; amended at 10 Ill. Reg. 6981, effective April 16, 1986; amended at 10 Ill. Reg. 7825, effective April 30, 1986; amended at 10 Ill. Reg. 8128, effective May 7, 1986; emergency amendment at 10 Ill. Reg. 8912, effective May 13, 1986, for a maximum of 150 days; amended at 10 Ill. Reg. 11440, effective June 20, 1986; amended at 10 Ill. Reg. 14714, effective August 27, 1986; amended at 10 Ill. Reg. 15211, effective September 12, 1986; emergency amendment at 10 Ill. Reg. 16729, effective September 18, 1986, for a maximum of 150 days; amended at 10 Ill. Reg. 18808, effective October 24, 1986; amended at 10 Ill. Reg. 19742, effective November 12, 1986; amended at 10 Ill. Reg. 21784, effective December 15, 1986; amended at 11 Ill. Reg. 698,

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENT

effective December 19, 1986; amended at 11 Ill. Reg. 1418, effective December 31, 1986; amended at 11 Ill. Reg. 2323, effective January 16, 1987; amended at 11 Ill. Reg. 4002, effective February 25, 1987; Section 140.71 recodified to 89 Ill. Adm. Code 141 at 11 Ill. Reg. 4302; amended at 11 Ill. Reg. 4303, effective March 6, 1987; amended at 11 Ill. Reg. 7664, effective April 15, 1987; emergency amendment at 11 Ill. Reg. 9342, effective April 20, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 9169, effective April 28, 1987; amended at 11 Ill. Reg. 10903, effective June 1, 1987; amended at 11 Ill. Reg. 11528, effective June 22, 1987; amended at 11 Ill. Reg. 12011, effective June 30, 1987; amended at 11 Ill. Reg. 12290, effective July 6, 1987; amended at 11 Ill. Reg. 14048, effective August 14, 1987; amended at 11 Ill. Reg. 14771, effective August 25, 1987; amended at 11 Ill. Reg. 16758, effective September 28, 1987; amended at 11 Ill. Reg. 17295, effective September 30, 1987; amended at 11 Ill. Reg. 18696, effective October 27, 1987; amended at 11 Ill. Reg. 20909, effective December 14, 1987; amended at 12 Ill. Reg. 916, effective January 1, 1988; emergency amendment at 12 Ill. Reg. 1960, effective January 1, 1988, for a maximum of 150 days; amended at 12 Ill. Reg. 5427, effective March 15, 1988; amended at 12 Ill. Reg. 6246, effective March 16, 1988; amended at 12 Ill. Reg. 6728, effective March 22, 1988; Sections 140.900 thru 140.912 and 140.Table H and 140.Table I recodified to 89 Ill. Adm. Code 147.5 thru 147.205 and 147.Table A and 147.Table B at 12 Ill. Reg. 6956; amended at 12 Ill. Reg. 6927, effective April 5, 1988; Sections 140.940 thru 140.972 recodified to 89 Ill. Adm. Code 149.5 thru 149.325 at 12 Ill. Reg. 7401; amended at 12 Ill. Reg. 7695, effective April 21, 1988; amended at 12 Ill. Reg. 10497, effective June 3, 1988; amended at 12 Ill. Reg. 10717, effective June 14, 1988; emergency amendment at 12 Ill. Reg. 11868, effective July 1, 1988, for a maximum of 150 days; amended at 12 Ill. Reg. 12509, effective July 15, 1988; amended at 12 Ill. Reg. 14271, effective August 29, 1988; emergency amendment at 12 Ill. Reg. 16921, effective September 28, 1988, for a maximum of 150 days; amended at 12 Ill. Reg. 16738, effective October 5, 1988; amended at 12 Ill. Reg. 17879, effective October 24, 1988; amended at 12 Ill. Reg. 18198, effective November 4, 1988; amended at 12 Ill. Reg. 19396, effective November 6, 1988; amended at 12 Ill. Reg. 19734, effective November 15, 1988; amended at 13 Ill. Reg. 125, effective January 1, 1989; amended at 13 Ill. Reg. 2475, effective February 14, 1989; amended at 13 Ill. Reg. 3069, effective February 28, 1989; amended at 13 Ill. Reg. 3351, effective March 6, 1989; amended at 13 Ill. Reg. 3917, effective March 17, 1989; amended at 13 Ill. Reg. 5115, effective April 3, 1989; amended at 13 Ill. Reg. 5718, effective April 10, 1989; amended at 13 Ill. Reg. 7025, effective April 24, 1989; Sections 140.850 thru 140.896 recodified to 89 Ill. Adm. Code 146.5 thru 146.225 at 13 Ill. Reg. 7040; amended at 13 Ill. Reg. 7786, effective May 20, 1989; Sections 140.94 thru 140.398 recodified to 89 Ill. Adm. Code 148.10 thru 148.390 at 13 Ill. Reg. 9572; emergency amendment at 13 Ill. Reg. 10977, effective July 1, 1989, for a maximum of 150 days; emergency expired November 28, 1989; amended at 13 Ill. Reg. 11516, effective July 3, 1989; amended at 13 Ill. Reg. 12119, effective July 7, 1989; Section 140.110 recodified to 89 Ill. Adm. Code 148.120 at 13 Ill. Reg. 12118; amended at 13 Ill. Reg. 12562, effective July 17, 1989; amended at 13 Ill. Reg. 14391, effective August 31, 1989; emergency amendment at 13 Ill. Reg.

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENT

15473, effective September 12, 1989, for a maximum of 150 days; amended at 13 Ill. Reg. 16992, effective October 16, 1989; amended at 14 Ill. Reg. 190, effective December 21, 1989; amended at 14 Ill. Reg. 2564, effective February 9, 1990; emergency amendment at 14 Ill. Reg. 3241, effective February 14, 1990, for a maximum of 150 days; emergency expired July 14, 1990; amended at 14 Ill. Reg. 4543, effective March 12, 1990; emergency amendment at 14 Ill. Reg. 4577, effective March 6, 1990, for a maximum of 150 days; emergency expired August 3, 1990; emergency amendment at 14 Ill. Reg. 5575, effective April 1, 1990, for a maximum of 150 days; emergency expired August 29, 1990; emergency amendment at 14 Ill. Reg. 5865, effective April 3, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 7141, effective April 27, 1990; emergency amendment at 14 Ill. Reg. 7249, effective April 27, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 10062, effective June 12, 1990; amended at 14 Ill. Reg. 10409, effective June 19, 1990; emergency amendment at 14 Ill. Reg. 12082, effective July 5, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 13262, effective August 6, 1990; emergency amendment at 14 Ill. Reg. 14184, effective August 16, 1990, for a maximum of 150 days; emergency amendment at 14 Ill. Reg. 14570, effective August 22, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 14826, effective August 31, 1990; amended at 14 Ill. Reg. 15366, effective September 12, 1990; amended at 14 Ill. Reg. 15981, effective September 21, 1990; amended at 14 Ill. Reg. 17279, effective October 12, 1990; amended at 14 Ill. Reg. 18057, effective October 22, 1990; amended at 14 Ill. Reg. 18508, effective October 30, 1990; amended at 14 Ill. Reg. 18813, effective November 26, 1990; Notice of Corrections to Adopted Amendment at 15 Ill. Reg. 1174; amended at 14 Ill. Reg. 20478, effective December 7, 1990; amended at 14 Ill. Reg. 20729, effective December 12, 1990; amended at 15 Ill. Reg. 298, effective December 28, 1990; emergency amendment at 15 Ill. Reg. 592, effective January 1, 1991, for a maximum of 150 days; amended at 15 Ill. Reg. 1051, effective January 18, 1991; amended at 15 Ill. Reg. 6220, effective April 18, 1991; amended at 15 Ill. Reg. 6534, effective April 30, 1991; amended at 15 Ill. Reg. 8264, effective May 23, 1991; amended at 15 Ill. Reg. 8972, effective June 17, 1991; amended at 15 Ill. Reg. 10114, effective June 21, 1991; amended at 15 Ill. Reg. 10468, effective July 1, 1991; amended at 15 Ill. Reg. 11176, effective August 1, 1991; emergency amendment at 15 Ill. Reg. 11515, effective July 25, 1991, for a maximum of 150 days; emergency expired December 22, 1991; emergency amendment at 15 Ill. Reg. 12919, effective August 15, 1991, for a maximum of 150 days; emergency expired January 12, 1992; emergency amendment at 15 Ill. Reg. 16366, effective October 22, 1991, for a maximum of 150 days; amended at 15 Ill. Reg. 17318, effective November 18, 1991; amended at 15 Ill. Reg. 17733, effective November 22, 1991; emergency amendment at 16 Ill. Reg. 300, effective December 20, 1991, for a maximum of 150 days; amended at 16 Ill. Reg. 174, effective December 24, 1991; amended at 16 Ill. Reg. 1877, effective January 24, 1992; amended at 16 Ill. Reg. 3552, effective February 28, 1992; amended at 16 Ill. Reg. 4006, effective March 6, 1992; amended at 16 Ill. Reg. 6408, effective March 20, 1992; expedited correction at 16 Ill. Reg. 11348, effective March 20, 1992; amended at 16 Ill. Reg. 6849, effective April 7, 1992; amended at 16 Ill. Reg. 7017, effective April 17, 1992; amended at 16 Ill. Reg. 10050, effective June 5,

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENT

1992; amended at 16 Ill. Reg. 11174, effective June 26, 1992; emergency amendment at 16 Ill. Reg. 11947, effective July 10, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 12186, effective July 24, 1992; emergency amendment at 16 Ill. Reg. 13337, effective August 14, 1992, for a maximum of 150 days; emergency amendment at 16 Ill. Reg. 15109, effective September 21, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 15561, effective September 30, 1992; amended at 16 Ill. Reg. 17302, effective November 2, 1992; emergency amendment at 16 Ill. Reg. 18097, effective November 17, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 19146, effective December 1, 1992; expedited correction at 17 Ill. Reg. 7078, effective December 1, 1992; amended at 16 Ill. Reg. 19879, effective December 7, 1992; amended at 17 Ill. Reg. 837, effective January 11, 1993; amended at 17 Ill. Reg. 1112, effective January 15, 1993; amended at 17 Ill. Reg. 2290, effective February 15, 1993; amended at 17 Ill. Reg. 2951, effective February 17, 1993; amended at 17 Ill. Reg. 3421, effective February 19, 1993; amended at 17 Ill. Reg. 6196, effective April 5, 1993; amended at 17 Ill. Reg. 6839, effective April 21, 1993; amended at 17 Ill. Reg. 7004, effective May 17, 1993; emergency amendment at 17 Ill. Reg. 11201, effective July 1, 1993, for a maximum of 150 days; emergency amendment at 17 Ill. Reg. 15162, effective September 2, 1993, for a maximum of 150 days; emergency amendment suspended at 17 Ill. Reg. 18902, effective October 12, 1993; emergency amendment at 17 Ill. Reg. 18152, effective October 1, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 18571, effective October 8, 1993; emergency amendment at 17 Ill. Reg. 18611, effective October 1, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 20999, effective November 24, 1993; emergency amendment repealed at 17 Ill. Reg. 22583, effective December 20, 1993; amended at 18 Ill. Reg. 3620, effective February 28, 1994; amended at 18 Ill. Reg. 4250, effective March 4, 1994; amended at 18 Ill. Reg. 5951, effective April 1, 1994; emergency amendment at 18 Ill. Reg. 10922, effective July 1, 1994, for a maximum of 150 days; emergency amendment suspended at 18 Ill. Reg. 17286, effective November 15, 1994; emergency amendment repealed at 19 Ill. Reg. 5839, effective April 4, 1995; amended at 18 Ill. Reg. 11244, effective July 1, 1994; amended at 18 Ill. Reg. 14126, effective August 29, 1994; amended at 18 Ill. Reg. 16675, effective November 1, 1994; amended at 18 Ill. Reg. 18059, effective December 19, 1994; amended at 19 Ill. Reg. 1082, effective January 20, 1995; amended at 19 Ill. Reg. 2933, effective March 1, 1995; emergency amendment at 19 Ill. Reg. 3529, effective March 1, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 5663, effective April 1, 1995; amended at 19 Ill. Reg. 7919, effective June 5, 1995; emergency amendment at 19 Ill. Reg. 8455, effective June 9, 1995, for a maximum of 150 days; emergency amendment at 19 Ill. Reg. 9297, effective July 1, 1995, for a maximum of 150 days; emergency amendment at 19 Ill. Reg. 10252, effective July 1, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 13019, effective September 5, 1995; amended at 19 Ill. Reg. 14440, effective September 29, 1995; emergency amendment at 19 Ill. Reg. 14833, effective October 6, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 15441, effective October 26, 1995; amended at 19 Ill. Reg. 15692, effective November 6, 1995; amended at 19 Ill. Reg. 16677, effective November 28, 1995; amended at 20 Ill. Reg. 1210, effective December 29, 1995; amended at 20 Ill. Reg. 4345,

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENT

effective March 4, 1996; amended at 20 Ill. Reg. 5858, effective April 5, 1996; amended at 20 Ill. Reg. 6929, effective May 6, 1996; amended at 20 Ill. Reg. 7922, effective May 31, 1996; amended at 20 Ill. Reg. 9081, effective June 28, 1996; emergency amendment at 20 Ill. Reg. 9312, effective July 1, 1996, for a maximum of 150 days; amended at 20 Ill. Reg. 11332, effective August 1, 1996; amended at 20 Ill. Reg. 14845, effective October 31, 1996; emergency amendment at 21 Ill. Reg. 705, effective December 31, 1996, for a maximum of 150 days; emergency amendment at 21 Ill. Reg. 3734, effective March 5, 1997, for a maximum of 150 days; amended at 21 Ill. Reg. 4777, effective April 2, 1997; amended at 21 Ill. Reg. 6899, effective May 23, 1997; amended at 21 Ill. Reg. 9763, effective July 15, 1997; amended at 21 Ill. Reg. 11569, effective August 1, 1997; emergency amendment at 21 Ill. Reg. 13857, effective October 1, 1997, for a maximum of 150 days; amended at 22 Ill. Reg. 1416, effective December 29, 1997; amended at 22 Ill. Reg. 4412, effective February 27, 1998; amended at 22 Ill. Reg. 7024, effective April 1, 1998; amended at 22 Ill. Reg. 10606, effective June 1, 1998; emergency amendment at 22 Ill. Reg. 13117, effective July 1, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 16302, effective August 28, 1998; amended at 22 Ill. Reg. 18979, effective September 30, 1998; amended at 22 Ill. Reg. 19898, effective October 30, 1998; emergency amendment at 22 Ill. Reg. 22108, effective December 1, 1998, for a maximum of 150 days; emergency expired April 29, 1999; amended at 23 Ill. Reg. 5796, effective April 30, 1999; amended at 23 Ill. Reg. 7122, effective June 1, 1999; emergency amendment at 23 Ill. Reg. 8236, effective July 1, 1999, for a maximum of 150 days; amended at 23 Ill. Reg. 9874, effective August 3, 1999; amended at 23 Ill. Reg. 12697, effective October 1, 1999; amended at 23 Ill. Reg. 13646, effective November 1, 1999; amended at 23 Ill. Reg. 14567, effective December 1, 1999; amended at 24 Ill. Reg. 661, effective January 3, 2000; amended at 24 Ill. Reg. 10277, effective July 1, 2000; emergency amendment at 24 Ill. Reg. 10436, effective July 1, 2000, for a maximum of 150 days; amended at 24 Ill. Reg. 15086, effective October 1, 2000; amended at 24 Ill. Reg. 18320, effective December 1, 2000; emergency amendment at 24 Ill. Reg. 19344, effective December 15, 2000, for a maximum of 150 days; amended at 25 Ill. Reg. 3897, effective March 1, 2001; amended at 25 Ill. Reg. 6665, effective May 11, 2001; amended at 25 Ill. Reg. 8793, effective July 1, 2001; emergency amendment at 25 Ill. Reg. 8850, effective July 1, 2001, for a maximum of 150 days; amended at 25 Ill. Reg. 11880, effective September 1, 2001; amended at 25 Ill. Reg. 12820, effective October 8, 2001; amended at 25 Ill. Reg. 14957, effective November 1, 2001; emergency amendment at 25 Ill. Reg. 16127, effective November 28, 2001, for a maximum of 150 days; emergency amendment at 25 Ill. Reg. 16292, effective December 3, 2001, for a maximum of 150 days; emergency amendment at 26 Ill. Reg. 514, effective January 1, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 663, effective January 7, 2002; amended at 26 Ill. Reg. 4781, effective March 15, 2002; emergency amendment at 26 Ill. Reg. 5984, effective April 15, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 7285, effective April 29, 2002; emergency amendment at 26 Ill. Reg. 8594, effective June 1, 2002, for a maximum of 150 days; emergency amendment at 26 Ill. Reg. 11259, effective July 1, 2002, for a maximum of 150 days; emergency amendment at 26 Ill. Reg. 12461, effective July

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENT

29, 2002, for a maximum of 150 days; emergency amendment at 26 Ill. Reg. 12772, effective August 12, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. _____, effective _____.

SUBPART E: GROUP CARE

Section 140.530 Basis of Payment for Long Term-Care Services

- a) The amount approved for payment for long term care services is based on the type and amount of services required by and actually being furnished to a resident and is determined in accordance with the Department's rate schedule.
- b) Costs not related to patient care, as well as costs in excess of those required for the efficient and economical delivery of care, will not be reimbursed.
- c) Rates and payments:
 - 1) Rates for long term care services shall be the sum of the reimbursable costs of capital, support, and nursing, as defined in this Part and 89 Ill. Adm. Code 147.
 - 2) Additionally, for county-owned or operated nursing facilities, rates shall include allowable costs incurred in excess of the reimbursable costs defined in this Part and 89 Ill. Adm. Code 147. Costs in excess of reimbursable costs shall be certified from the signed annual cost report submitted by the county to the Department.
 - 3) Payment for long term care services is on a per diem basis. In determining the number of days for which payment can be made, the day of admission to the facility is counted. The day of discharge from the facility is not counted unless it is the day of death, and death occurs in the facility, or a reserved bed has been authorized for that day.
 - 4) Payments by the Department for long term care services shall not exceed reimbursable costs as defined in this Part and 89 Ill. Adm. Code 147 less what is contributed by third party liability.
- d) Definitions:
 - 1) "Allowable costs" are those which are appropriate patient care expenditures as defined in this Part and 89 Ill. Adm. Code 147.
 - 2) "Reimbursable costs" are determined by application of statistical standardizations of allowable costs for all providers within various defined groups to the costs of individual providers within such groups.
 - 3) "County-owned nursing facility" is a nursing facility owned and operated by an Illinois county.
- e) Alternate reimbursement methodology for certain nursing facilities
 - 1) Qualifications
 - A) The nursing facility must be owned or operated by an Illinois county.

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENT

- B) The county must enter into an intergovernmental agreement with the Department that specifies the responsibilities of the two parties with respect to services provided by the facility and the funding of those services.
- 2) Reimbursement
Effective for services on or after October 1, 2002, the per diem rate for qualifying nursing facilities shall be 94 percent of the average rate that is determined by applying the Medicare reimbursement methodology that is in effect for the service period to the facility's Medicaid residents. For purposes of the calculation, each resident will be assigned a case mix weighting factor that is the arithmetic mean of the weighting factors derived from the resident assessment (nursing facility Minimum Data Set (MDS)) data transmitted to the State for Medicaid residents who resided in the facility on the 15th day of February preceding the beginning of the State fiscal year during which the service was provided.

(Source: Amended at 26 Ill. Reg. _____, effective _____)

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- 1)
- 1) Heading of the Part: Hospital Services
- 2) Code Citation: 89 Ill. Adm. Code 148
- 3)

<u>Section Numbers:</u>	<u>Proposed Action:</u>
148.105	New Section
148.115	New Section
148.295	Amendment
148.310	Amendment
- 4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-13].
- 5) Complete Description of the Subjects and Issues Involved: These proposed amendments to 89 Ill. Adm. Code 148, Hospital Services, provide fiscal year 2003 budget implementation changes that affect specified inpatient and outpatient services. The amendments pertain to Hospital Adjustment Payments (CHAP) and add two new programs for Psychiatric Adjustment Payments and Rural Adjustment Payments. Additional proposed amendments provide appeal procedures concerning the new payment programs.

Under CHAP, some Direct Hospital Adjustments (DHA) rate levels are being increased to provide additional funding to high volume Medicaid providers in order to ensure access to quality healthcare for the Department's medical assistance clients. The new Psychiatric Adjustment Payments program is designed to ensure access to essential psychiatric services, particularly for clients who live in downstate Illinois. The new Rural Adjustment Payments program is intended to add a cost-based reimbursement system for hospitals deemed by the Illinois Department of Public Health to be a critical access hospital or a necessary provider. Under Medicare, such hospitals are reimbursed on a cost basis.

These proposed amendments will result in the following spending increases:

Psychiatric Adjustment Payments (Section 148.105) - \$3.1 million
Rural Adjustment Payments (Section 148.115) - \$7.0 million
CHAP (Section 148.295) - \$6.5 million

- 6) Will these proposed amendments replace emergency amendments currently in effect? No
- 7) Does this rulemaking contain an automatic repeal date? No

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- 8) Do these proposed amendments contain incorporations by reference? No
- 9) Are there any other proposed amendments pending on this Part? Yes

<u>Sections</u>	<u>Proposed Action</u>	<u>Illinois Register Citation</u>
148.70	Amendment	May 3, 2002 (26 Ill. Reg. 6170)
148.120	Amendment	March 1, 2002 (26 Ill. Reg. 2974)
148.120	Amendment	March 22, 2002 (26 Ill. Reg. 4056)
148.126	New Section	July 12, 2002 (26 Ill. Reg. 10262)
148.140	Amendment	July 12, 2002 (26 Ill. Reg. 10262)
148.240	Amendment	May 3, 2002 (26 Ill. Reg. 6170)
148.295	Amendment	July 12, 2002 (26 Ill. Reg. 10262)
148.296	Amendment	July 12, 2002 (26 Ill. Reg. 10262)
148.297	Amendment	July 12, 2002 (26 Ill. Reg. 10262)
148.298	Amendment	July 12, 2002 (26 Ill. Reg. 10262)
148.310	Amendment	March 22, 2002 (26 Ill. Reg. 4056)
148.310	Amendment	July 12, 2002 (26 Ill. Reg. 10262)

- 10) Statement of Statewide Policy Objectives: These proposed amendments do not affect units of local government.
- 11) Time, Place, and Manner in Which Interested Persons May Comment on this Proposed Rulemaking: Any interested parties may submit comments, data, views, or arguments concerning this proposed rulemaking. All comments must be in writing and should be addressed to:

Joanne Scattoloni
 Office of the General Counsel, Rules Section
 Illinois Department of Public Aid
 201 South Grand Avenue East, Third Floor
 Springfield, Illinois 62763-0002
 (217)524-0081

The Department requests the submission of written comments within 30 days after the publication of this notice. The Department will consider all written comments it receives during the first notice period as required by Section 5-40 of the Illinois Administrative Procedure Act [5 ILCS 100/5-40].

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

Any interested persons may review these proposed amendments at the Illinois Department of Human Services' local offices located in each county (except Cook County). In Cook County, the amendments may be reviewed at the Office of the Director, Illinois Department of Public Aid, 100 West Randolph, Tenth Floor, Chicago, Illinois, and the Office of the Secretary, Illinois Department of Human Services, 401 South Clinton, Seventh Floor, Chicago, Illinois. The amendments may be reviewed at all offices Monday through Friday from 8:30 a.m. until 5:00 p.m. This notice is being provided in accordance with federal requirements at 42 CFR 447.205.

These proposed amendments may have an impact on small businesses, small municipalities, and not-for-profit corporations as defined in Sections 1-75, 1-80 and 1-85 of the Illinois Administrative Procedure Act [5 ILCS 100/1-75, 1-80, 1-85]. These entities may submit comments in writing to the Department at the above address in accordance with the regulatory flexibility provisions in Section 5-30 of the Illinois Administrative Procedure Act [5 ILCS 100/5-30]. These entities shall indicate the its status as small businesses, small municipalities, or not-for-profit corporations as part of any written comments submitted to the Department.

- 12) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not-for-profit corporations affected: Medicaid funded hospitals will be affected by this proposed rulemaking.
 - B) Reporting, bookkeeping or other procedures required for compliance: None
 - C) Types of professional skills necessary for compliance: None
- 13) Regulatory Agenda on Which this Rulemaking Was Summarized: These proposed amendments were not included on either of the two most recent regulatory agendas because: this rulemaking was not anticipated by the Department when the most recent regulatory agendas were published.

The full text of the proposed amendments begins on the next page:

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

TITLE 89: SOCIAL SERVICES
CHAPTER I: DEPARTMENT OF PUBLIC AID
SUBCHAPTER d: MEDICAL PROGRAMSPART 148
HOSPITAL SERVICES

SUBPART A: GENERAL PROVISIONS

Section

148.10	Hospital Services
148.20	Participation
148.25	Definitions and Applicability
148.30	General Requirements
148.40	Special Requirements
148.50	Covered Hospital Services
148.60	Services Not Covered as Hospital Services
148.70	Limitation On Hospital Services

SUBPART B: REIMBURSEMENT AND RELATED PROVISIONS

148.80	Organ Transplants Services Covered Under Medicaid (Repealed)
148.82	Organ Transplant Services
148.90	Heart Transplants (Repealed)
148.100	Liver Transplants (Repealed)
<u>148.105</u>	<u>Psychiatric Adjustment Payments</u>
148.110	Bone Marrow Transplants (Repealed)
<u>148.115</u>	<u>Rural Adjustment Payments</u>
148.120	Disproportionate Share Hospital (DSH) Adjustments
148.130	Outlier Adjustments for Exceptionally Costly Stays
148.140	Hospital Outpatient and Clinic Services
148.150	Public Law 103-66 Requirements
148.160	Payment Methodology for County-Owned Hospitals in an Illinois County with a Population of Over Three Million
148.170	Payment Methodology for Hospitals Organized Under the University of Illinois Hospital Act
148.175	Supplemental Disproportionate Share Payment Methodology for Hospitals Organized Under the Town Hospital Act
148.180	Payment for Pre-operative Days, Patient Specific Orders, and Services Which Can Be Performed in an Outpatient Setting

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- 148.190 Copayments
- 148.200 Alternate Reimbursement Systems
- 148.210 Filing Cost Reports
- 148.220 Pre September 1, 1991 Admissions
- 148.230 Admissions Occurring on or after September 1, 1991
- 148.240 Utilization Review and Furnishing of Inpatient Hospital Services Directly or Under Arrangements
- 148.250 Determination of Alternate Payment Rates to Certain Exempt Hospitals
- 148.260 Calculation and Definitions of Inpatient Per Diem Rates
- 148.270 Determination of Alternate Cost Per Diem Rates for All Hospitals; Payment Rates for Certain Exempt Hospital Units; and Payment Rates for Certain Other Hospitals
- 148.280 Reimbursement Methodologies for Children's Hospitals and Hospitals Reimbursed Under Special Arrangements
- 148.285 Excellence in Academic Medicine Payments
- 148.290 Adjustments and Reductions to Total Payments
- 148.295 Critical Hospital Adjustment Payments (CHAP)
- 148.296 Tertiary Care Adjustment Payments
- 148.297 Pediatric Outpatient Adjustment Payments
- 148.298 Pediatric Inpatient Adjustment Payments
- 148.300 Payment
- 148.310 Review Procedure
- 148.320 Alternatives
- 148.330 Exemptions
- 148.340 Subacute Alcoholism and Substance Abuse Treatment Services
- 148.350 Definitions (Repealed)
- 148.360 Types of Subacute Alcoholism and Substance Abuse Treatment Services (Repealed)
- 148.368 Volume Adjustment (Repealed)
- 148.370 Payment for Subacute Alcoholism and Substance Abuse Treatment Services
- 148.380 Rate Appeals for Subacute Alcoholism and Substance Abuse Treatment Services (Repealed)
- 148.390 Hearings
- 148.400 Special Hospital Reporting Requirements

SUBPART C: SEXUAL ASSAULT EMERGENCY TREATMENT PROGRAM

- 148.500 Definitions
- 148.510 Reimbursement

SUBPART D: STATE CHRONIC RENAL DISEASE PROGRAM

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

148.600	Definitions
148.610	Scope of the Program
148.620	Assistance Level and Reimbursement
148.630	Criteria and Information Required to Establish Eligibility
148.640	Covered Services

TABLE A Renal Participation Fee Worksheet

TABLE B Bureau of Labor Statistics Equivalence

TABLE C List of Metropolitan Counties by SMSA Definition

AUTHORITY: Implementing and authorized by Articles III, IV, V, and VI, and Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/Arts. III, IV, V, VI and 12-13].

SOURCE: Sections 148.10 thru 148.390 recodified from 89 Ill. Adm. Code 140.94 thru 140.398 at 13 Ill. Reg. 9572; Section 148.120 recodified from 89 Ill. Adm. Code 140.110 at 13 Ill. Reg. 12118; amended at 14 Ill. Reg. 2553, effective February 9, 1990; emergency amendment at 14 Ill. Reg. 11392, effective July 1, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 15358, effective September 13, 1990; amended at 14 Ill. Reg. 16998, effective October 4, 1990; amended at 14 Ill. Reg. 18293, effective October 30, 1990; amended at 14 Ill. Reg. 18499, effective November 8, 1990; emergency amendment at 15 Ill. Reg. 10502, effective July 1, 1991, for a maximum of 150 days; emergency expired October 29, 1991; emergency amendment at 15 Ill. Reg. 12005, effective August 9, 1991, for a maximum of 150 days; emergency expired January 6, 1992; emergency amendment at 15 Ill. Reg. 16166, effective November 1, 1991, for a maximum of 150 days; amended at 15 Ill. Reg. 18684, effective December 23, 1991; amended at 16 Ill. Reg. 6255, effective March 27, 1992; emergency amendment at 16 Ill. Reg. 11335, effective June 30, 1992, for a maximum of 150 days; emergency expired November 27, 1992; emergency amendment at 16 Ill. Reg. 11942, effective July 10, 1992, for a maximum of 150 days; emergency amendment at 16 Ill. Reg. 14778, effective October 1, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 19873, effective December 7, 1992; amended at 17 Ill. Reg. 131, effective December 21, 1992; amended at 17 Ill. Reg. 3296, effective March 1, 1993; amended at 17 Ill. Reg. 6649, effective April 21, 1993; amended at 17 Ill. Reg. 14643, effective August 30, 1993; emergency amendment at 17 Ill. Reg. 17323, effective October 1, 1993, for a maximum of 150 days; amended at 18 Ill. Reg. 3450, effective February 28, 1994; emergency amendment at 18 Ill. Reg. 12853, effective August 2, 1994, for a maximum of 150 days; amended at 18 Ill. Reg. 14117, effective September 1, 1994; amended at 18 Ill. Reg. 17648, effective November 29, 1994; amended at 19 Ill. Reg. 1067, effective January 20, 1995; emergency amendment at 19 Ill. Reg. 3510, effective March 1, 1995, for a maximum of 150 days; emergency expired July 29, 1995; emergency amendment at 19 Ill. Reg. 6709, effective May 12, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 10060, effective June 29, 1995; emergency amendment at 19 Ill. Reg. 10752, effective July 1, 1995, for a maximum of 150

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

days; amended at 19 Ill. Reg. 13009, effective September 5, 1995; amended at 19 Ill. Reg. 16630, effective November 28, 1995; amended at 20 Ill. Reg. 872, effective December 29, 1995; amended at 20 Ill. Reg. 7912, effective May 31, 1996; emergency amendment at 20 Ill. Reg. 9281, effective July 1, 1996, for a maximum of 150 days; emergency amendment at 20 Ill. Reg. 12510, effective September 1, 1996, for a maximum of 150 days; amended at 20 Ill. Reg. 15722, effective November 27, 1996; amended at 21 Ill. Reg. 607, effective January 2, 1997; amended at 21 Ill. Reg. 8386, effective June 23, 1997; emergency amendment at 21 Ill. Reg. 9552, effective July 1, 1997, for a maximum of 150 days; emergency amendment at 21 Ill. Reg. 9822, effective July 2, 1997, for a maximum of 150 days; emergency amendment at 21 Ill. Reg. 10147, effective August 1, 1997, for a maximum of 150 days; amended at 21 Ill. Reg. 13349, effective September 23, 1997; emergency amendment at 21 Ill. Reg. 13675, effective September 27, 1997, for a maximum of 150 days; amended at 21 Ill. Reg. 16161, effective November 26, 1997; amended at 22 Ill. Reg. 1408, effective December 29, 1997; amended at 22 Ill. Reg. 3083, effective January 26, 1998; amended at 22 Ill. Reg. 11514, effective June 22, 1998; emergency amendment at 22 Ill. Reg. 13070, effective July 1, 1998, for a maximum of 150 days; emergency amendment at 22 Ill. Reg. 15027, effective August 1, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 16273, effective August 28, 1998; amendment at 22 Ill. Reg. 21490, effective November 25, 1998; amended at 23 Ill. Reg. 5784, effective April 30, 1999; amended at 23 Ill. Reg. 7115, effective June 1, 1999; amended at 23 Ill. Reg. 7908, effective June 30, 1999; emergency amendment at 23 Ill. Reg. 8213, effective July 1, 1999, for a maximum of 150 days; emergency amendment at 23 Ill. Reg. 12772, effective October 1, 1999, for a maximum of 150 days; amended at 23 Ill. Reg. 13621, effective November 1, 1999; amended at 24 Ill. Reg. 2400, effective February 1, 2000; amended at 24 Ill. Reg. 3845, effective February 25, 2000; emergency amendment at 24 Ill. Reg. 10386, effective July 1, 2000, for a maximum of 150 days; amended at 24 Ill. Reg. 11846, effective August 1, 2000; amended at 24 Ill. Reg. 16067, effective October 16, 2000; amended at 24 Ill. Reg. 17146, effective November 1, 2000; amended at 24 Ill. Reg. 18293, effective December 1, 2000; amended at 25 Ill. Reg. 5359, effective April 1, 2001; emergency amendment at 25 Ill. Reg. 5432, effective April 1, 2001, for a maximum of 150 days; amended at 25 Ill. Reg. 6959, effective June 1, 2001; emergency amendment at 25 Ill. Reg. 9974, effective July 23, 2001, for a maximum of 150 days; amended at 25 Ill. Reg. 10513, effective August 2, 2001; emergency amendment at 25 Ill. Reg. 12870, effective October 1, 2001, for a maximum of 150 days; emergency expired on February 27, 2002; amended at 25 Ill. Reg. 16087, effective December 1, 2001; emergency amendment at 26 Ill. Reg. 536, effective December 31, 2001, for a maximum of 150 days; emergency amendment at 26 Ill. Reg. 680, effective January 1, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 4825, effective March 15, 2002; emergency amendment at 26 Ill. Reg. 4953, effective March 18, 2002, for a maximum of 150 days; emergency repealed at 26 Ill. Reg. 7786, effective July 1, 2002; emergency amendment at 26 Ill. Reg. 7340, effective April 30, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 8395, effective May 28, 2002; emergency amendment at 26 Ill. Reg. 11040, effective July 1, 2002, for a maximum of 150 days; amended at

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

26 Ill. Reg. 12322, effective July 26, 2002; amended at 26 Ill. Reg. _____, effective _____.

SUBPART A: GENERAL PROVISIONS

Section 148.10 Hospital Services

Sections 148.10 through 148.70 contain participation requirements and coverage limitations for hospital services.

(Source: Recodified from 89 Ill. Adm. Code 140.94 at 13 Ill. Reg. 9572)

SUBPART B: REIMBURSEMENT AND RELATED PROVISIONS

Section 148.80 Organ Transplants Services Covered Under Medicaid (Repealed)

(Source: Repealed at 17 Ill. Reg. 14643, effective August 30, 1993)

Section 148.105 Psychiatric Adjustment Payments**a) Qualifying Criteria**

Psychiatric Adjustment Payments shall be made to a qualifying hospital, as defined in this subsection (a). A hospital not otherwise excluded under subsection (b) of this Section shall qualify for payment if it meets one of the following criteria as of July 1, 2002:

- 1) The hospital is located in Illinois; is a general acute care hospital with a distinct part unit as defined in 89 Ill. Adm. Code 149.50(d)(1) enrolled with the Department to provide inpatient psychiatric services; has a current psychiatric care per diem rate less than the statewide psychiatric distinct part unit average default rate; is located outside of HSA 6; and has a MIUR as described in subsection (e)(5) of this Section that is greater than 60 percent.
- 2) The hospital is located in Illinois; is a general acute care hospital with a distinct part unit as defined in 89 Ill. Adm. Code 149.50(d)(1) enrolled with the Department to provide inpatient psychiatric services; has a current psychiatric care per diem rate less than the statewide psychiatric distinct part unit average default rate; is located outside of HSA 6; has a MIUR as described in subsection (e)(5) that is greater than 20 percent; has

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- greater than 325 total licensed beds as described in subsection (e)(2) of this Section; and has a psychiatric occupancy rate described in subsection (e)(4) of this Section that is greater than 50 percent.
- 3) The hospital is located in Illinois; is a general acute care hospital with a distinct part unit as defined in 89 Ill. Adm. Code 149.50(d)(1) enrolled with the Department to provide inpatient psychiatric services; has a current psychiatric care per diem rate less than the statewide psychiatric distinct part unit average default rate; is located outside of HSA 6; has a MIUR as described in subsection (e)(5) of this Section that is greater than 15 percent; has greater than 500 total licensed beds as described in subsection (e)(2) of this Section; has a psychiatric occupancy rate as described in subsection (e)(4) of this Section that is greater than 35 percent; and has total licensed psychiatric beds described in subsection (e)(3) of this Section that is greater than 50.
- 4) The hospital is located in Illinois; is a general acute care hospital with a distinct part unit as defined in 89 Ill. Adm. Code 149.50(d)(1) enrolled with the Department to provide inpatient psychiatric services; has a current psychiatric care per diem rate less than the statewide psychiatric distinct part unit average default rate; is located outside of HSA 6; has a MIUR as described in subsection (e)(5) of this Section that is greater than 19 percent; has less than 275 total licensed beds as described in subsection (e)(2) of this Section; has less than 1,000 total psychiatric care days as described in subsection (e)(8) of this Section; has 40 or fewer total licensed psychiatric beds as described in subsection (e)(3) of this Section; has greater than 6,000 total days as described in subsection (e)(9) of this Section.
- b) The following five classes of hospitals are ineligible for Psychiatric Adjustment Payments associated with the qualifying criteria listed in subsections (a)(1) through (a)(4) of this Section:
- 1) Hospitals located outside of Illinois.
 - 2) Hospitals located inside HSA 6.
 - 3) Psychiatric hospitals, as described in 89 Ill. Adm. Code 149.50(c)(1).
 - 4) Long term stay hospitals, as described in 89 Ill. Adm. Code 149.50(c)(4).
 - 5) A children's hospital, as described in 89 Ill. Adm. Code 149.50(c)(3).
- c) Psychiatric Adjustment Payment Rates
- 1) For a hospital qualifying under subsection (a)(1) of this Section, the rate is \$63.00.
 - 2) For a hospital qualifying under subsection (a)(2) of this Section that:
 - A) Has less than 10,000 total days, the rate is \$78.00.
 - B) Has equal to or greater than 10,000 total days, the rate is \$125.00.

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- 3) For a hospital qualifying under subsection (a)(3) of this Section, the rate is \$21.00.
- 4) For a hospital qualifying under subsection (a)(4) of this Section, the rate is \$38.00.
- d) Payment to a Qualifying Hospital
 - 1) The total annual adjustment amount to a qualifying hospital shall be the product of the appropriate psychiatric adjustment payment rate, as described in subsection (c) of this Section, multiplied by total days as described in subsection (e)(9) of this Section.
 - 2) The total annual adjustment amount shall be paid to the hospital during the Psychiatric Adjustment Payment Period in installments on, at least, a quarterly basis.
- e) Definitions
 - 1) “HSA” means Health Service Area, as defined by the Illinois Department of Public Health.
 - 2) “Total Licensed Beds” means, for a given hospital, the number of licensed beds, excluding long term care and substance abuse beds, as listed in the July 25, 2001, Illinois Department of Public Health report entitled “Percent Occupancy by Service in Year 2000 for Short Stay, Non-Federal Hospitals in Illinois”.
 - 3) “Licensed Psychiatric Beds” means, for a given hospital, the number of psychiatric licensed beds, as listed in the July 25, 2001, Illinois Department of Public Health report entitled “Percent Occupancy by Service in Year 2000 for Short Stay, Non-Federal Hospitals in Illinois”.
 - 4) “Psychiatric Occupancy Rate” means, for a given hospital, the psychiatric hospital occupancy rate as listed in the July 25, 2001, Illinois Department of Public Health report entitled “Percent Occupancy by Service in Year 2000 for Short Stay, Non-Federal Hospitals in Illinois”.
 - 5) “MIUR” for a given hospital, has the meaning as defined in Section 148.120(k)(5), and shall be determined in accordance with Sections 148.120(c) and (f). For purposes of this rulemaking, the MIUR determination that was used to determine a hospital's eligibility for Disproportionate Share Hospital Adjustment Payments in rate year 2002 shall be the same determination used to determine a hospital's eligibility for Psychiatric Adjustment Payments in the Psychiatric Adjustment Payment Period.
 - 6) “Psychiatric Adjustment Payment Base Year” means the 12-month period beginning on July 1, 2000, and ending on June 30, 2001.
 - 7) “Psychiatric Adjustment Payment Period” means, beginning October 1, 2002, the nine month period beginning October 1 and ending June 30 of

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- the following year, and beginning July 1, 2003, the 12 month period beginning July 1 of the year and ending June 30 of the following year.
- 8) “Total Psychiatric Care Days” means, for a given hospital, the sum of days of inpatient psychiatric care, as defined in Section 148.40(a), provided to recipients of medical assistance under Title XIX of the federal Social Security Act, excluding days for individuals eligible for Medicare under Title XVIII of that Act (Medicaid/Medicare crossover days), as tabulated from the Department’s claims data for admissions occurring in the psychiatric adjustment payment base year that were adjudicated by the Department through June 30, 2001.
- 9) “Total Days” means, for a given hospital, the sum of days of inpatient hospital services provided to recipients of medical assistance under Title XIX of the federal Social Security Act, excluding days for individuals eligible for Medicare under Title XVIII of that Act (Medicaid/Medicare crossover days), as tabulated from the Department’s claims data for admissions occurring in the psychiatric adjustment payment base year that were adjudicated by the Department through June 30, 2001.
- 10) "Psychiatric Care Average Length of Stay" means the quotient of the fraction, the numerator of which is the number of psychiatric care days in the Psychiatric Adjustment Payment base year, the denominator of which is the number of admissions in the Psychiatric Adjustment Payment base year.

(Source: Added at 26 Ill. Reg. _____, effective _____)

Section 148.115 Rural Adjustment Payments

- a) Qualifying Criteria
Rural Adjustment Payments shall be made to all qualifying general acute care hospitals that are designated as a Critical Access Hospital or a Necessary Provider, as designated by the Illinois Department of Public Health, in accordance with 42 CFR 485, Subpart F (2001), as of the first day of July in the Rural Adjustment Payment rate period.
- b) Rural Adjustment Rates
- 1) Inpatient Component
For a hospital qualifying under subsection (a) of this Section, a Rural Adjustment Payment inpatient component shall be calculated as follows:
- A) Total inpatient payments, as described in subsection (d)(2) of this Section, shall be divided by the total inpatient days, as described in

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- subsection (d)(4) of this Section, to derive an inpatient payment per day.
- B) Total inpatient charges, associated with inpatient days as described in subsection (d)(4) of this Section, shall be multiplied by the hospital's cost to charge ratio, as described in subsection (d)(1) of this Section, to derive total inpatient cost.
- C) Total inpatient costs, as defined in subsection (b)(1)(B) of this Section, are divided by the total inpatient days, as described in subsection (d)(4) of this Section, to derive an inpatient cost per day.
- D) Inpatient payment per day, as defined in subsection (b)(1)(A) of this Section, shall be subtracted from the inpatient cost per day, as described in subsection (b)(1)(C) of this Section, to derive an inpatient cost coverage deficit per day. The minimum result shall be no lower than zero.
- E) Inpatient cost coverage deficit per day, as described in subsection (b)(1)(D) of this Section, shall be multiplied by the total inpatient days, as described in subsection (d)(4) of this Section, to derive a total hospital specific inpatient cost coverage deficit.
- F) The inpatient cost deficits, as described in subsection (b)(1)(E) of this Section, for all qualifying hospitals, shall be summed to determine an aggregate Rural Adjustment Payment base year inpatient cost deficit.
- 2) Outpatient Component
For a hospital qualifying under subsection (a) of this Section, a Rural Adjustment Payment outpatient component shall be calculated as follows:
- A) Total outpatient payments, as defined in subsection (d)(3) of this Section, shall be divided by the total outpatient services, as described in subsection (d)(5) of this Section, to derive an outpatient payment per service unit.
- B) Total outpatient charges, associated with outpatient services, as defined in subsection (d)(5) of this Section, shall be multiplied by the hospital's cost to charge ratio, as described in subsection (d)(1) of this Section, to derive total outpatient cost.
- C) Total outpatient costs, as defined in subsection (b)(2)(B) of this Section, are divided by the total outpatient services, as described in subsection (d)(5) of this Section, to derive an outpatient cost per service unit.
- D) Outpatient payment per service unit, as defined in subsection (b)(2)(A) of this Section, shall be subtracted from the outpatient

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- cost per service unit, as described in subsection (b)(2)(C) of this Section, to derive an outpatient cost coverage deficit per service unit. The minimum result shall be no lower than zero.
- E) Outpatient cost coverage deficit per service unit, as described in subsection (b)(2)(D) of this Section, shall be multiplied by the total outpatient services, as described in subsection (d)(5) of this Section, to derive a total hospital specific outpatient cost coverage deficit.
- F) The outpatient cost coverage deficits, as described in subsection (b)(2)(e) of this Section, for all qualifying hospitals, shall be summed to determine an aggregate Rural Adjustment Payment base year outpatient cost deficit.
- 3) Payment Methodology
A \$7 million total pool shall be allocated to the program, and proportioned between inpatient services and outpatient services as follows:
- A) The total inpatient cost coverage deficit, as described in subsection (b)(1)(F) of this Section, is added to the total outpatient cost coverage deficit, as described in subsection (b)(2)(F) of this Section, to derive a total Rural Adjustment Payment base year deficit.
- B) The inpatient pool allocation percentage shall be the quotient of the fraction, the numerator of which is the total inpatient cost deficit, as described in subsection (b)(1)(F) of this Section, the denominator of which is the total Rural Adjustment Payment base year deficit, as described in subsection (b)(3)(A) of this Section.
- C) The outpatient pool allocation percentage shall be the quotient of the fraction, the numerator of which is the total outpatient cost deficit, as described in subsection (b)(2)(F) of this Section, the denominator of which is the total Rural Adjustment Payment base year deficit, as described in subsection (b)(3)(A) of this Section.
- D) An inpatient pool allocation shall be the product of the inpatient pool allocation percentage, as described in subsection (b)(3)(B) of this Section, multiplied by the \$7 million pool, as described in subsection (b)(3) of this Section.
- E) The outpatient pool allocation shall be the product of the outpatient pool allocation percentage, as described in subsection (b)(3)(C) of this Section, multiplied by the \$7 million pool, as described in subsection (b)(3) of this Section.
- F) An inpatient residual cost coverage factor shall be the quotient of the fraction, the numerator of which shall be the inpatient pool

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- allocation, as described in subsection (b)(3)(D) of this Section, the denominator of which shall be the total inpatient cost deficit as described in subsection (b)(1)(F) of this Section.
- G) An outpatient residual cost coverage factor shall be the quotient of the fraction, the numerator of which shall be the outpatient pool allocation, as described in subsection (b)(3)(E) of this Section, the denominator of which shall be the total outpatient cost deficit as described in subsection (b)(2)(F) of this Section.
- H) The hospital specific inpatient cost coverage adjustment amount shall be the product of the inpatient residual cost coverage factor, as described in subsection (b)(3)(F) of this Section, multiplied by the hospital specific inpatient cost coverage deficit, as described in subsection (b)(1)(E) of this Section.
- D) The hospital specific outpatient cost coverage adjustment amount shall be the product of the outpatient residual cost coverage factor, as described in subsection (b)(3)(G) of this Section, multiplied by the hospital specific outpatient cost coverage deficit, as described in subsection (b)(2)(E) of this Section.
- c) Payment to a Qualifying Hospital
- 1) The total annual adjustment amount to a qualified hospital shall be the sum of the hospital specific inpatient cost coverage adjustment amount, as described in subsection (b)(3)(H) of this Section, plus the hospital specific outpatient cost coverage adjustment amount, as described in subsection (b)(3)(I) of this Section.
- 2) The total annual adjustment amount shall be paid to the hospital during the Rural Adjustment Payment rate period, as described in subsection (d)(7) of this Section, on at least a quarterly basis.
- d) Definitions
- 1) "Hospital Cost to Charge Ratio" means the quotient of the fraction, the numerator of which is the cost as reported on Form HCFA 2552, worksheet C, Part 1, column 1, row 101, the denominator of which is the charges as reported on Form HCFA 2552, worksheet C, Part 1, column 8, row 101. The base year for State Fiscal Year (SFY) 2003 shall be the hospital's fiscal year 1999 Medicare cost report, and, for SFY 2004, the hospital's fiscal year 2000 cost report shall be utilized. The base year for any SFY shall be determined in this manner.
- 2) "Inpatient Payments" shall mean all payments associated with total days provided, as described in subsection (d)(4) of this Section, and all quarterly adjustment payments paid, as described throughout Part 148.

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- 3) "Outpatient Payments" shall mean all payments associated with total outpatient services provided, as described in subsection (d)(5) of this Section, and all quarterly adjustment payments paid, as described in this Part.
- 4) "Total Days" means, for a given hospital, the sum of days of inpatient hospital service provided to recipients of medical assistance under Title XIX of the federal Social Security Act, excluding days for individuals eligible for Medicare under Title XVIII of that Act (Medicaid/Medicare crossover days), as tabulated from the Department's claims data for admissions occurring in the Rural Adjustment Payment base year that were subsequently adjudicated through the last day of June preceding the Rural Adjustment Payment rate period.
- 5) "Total Outpatient Services" means the number of outpatient services provided during the Rural Adjustment Payment base year to recipients of medical assistance under Title XIX of the federal Social Security Act, excluding services for individuals eligible for Medicare under Title XVIII of that Act (Medicaid/Medicare crossover days), as tabulated from the Department's claims data for services occurring in the Rural Adjustment Payment base year that were subsequently adjudicated through the last day of June preceding the Rural Adjustment Payment rate period.
- 6) "Rural Adjustment Payment Base Year" means, for the Rural Adjustment Payment rate period beginning October 1, 2002, SFY 2001; for the Rural Adjustment Payment rate period beginning July 1, 2003, SFY 2002. The Rural Adjustment Payment base year for subsequent rate periods shall be determined in this manner.
- 7) "Rural Adjustment Payment Rate Period" means, beginning October 1, 2002, the nine month period beginning October 1 and ending June 30 of the following year, and beginning July 1, 2003, the 12 month period beginning July 1 of that year and ending June 30 of the following year.

(Source: Added at 26 Ill. Reg. _____, effective _____)

Section 148.295 Critical Hospital Adjustment Payments (CHAP)

Critical Hospital Adjustment Payments (CHAP) shall be made to all eligible hospitals excluding county-owned hospitals, as described in Section 148.25(b)(1)(A), unless otherwise noted in this Section, and hospitals organized under the University of Illinois Hospital Act, as described in Section 148.25(b)(1)(B), for inpatient admissions occurring on or after July 1, 1998, in accordance with this Section. ~~The provisions described in this Section will be effective through June 30, 2002.~~

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

a) Trauma Center Adjustments (TCA)

The Department shall make a ~~trauma center adjustment~~ (TCA) to Illinois hospitals recognized, as of the first day of July in the CHAP rate period, as a Level I or Level II trauma center by the Illinois Department of Public Health (IDPH) in accordance with the provisions of subsections (a)(1) through (a)(3) of this Section.

1) Level I Trauma Center Adjustment ~~(TCA)~~.

A) Criteria. Illinois hospitals that, on the first day of July in the CHAP rate period, are recognized as a Level I trauma center by the Illinois Department of Public Health shall receive the Level I trauma center adjustment.

B) Adjustment. Illinois hospitals meeting the criteria specified in subsection (a)(1)(A) of this Section shall receive an adjustment as follows:

i) Hospitals with Medicaid trauma admissions equal to or greater than the mean Medicaid trauma admissions, for all hospitals qualifying under subsection (a)(1)(A) of this Section, shall receive an adjustment of \$21,365.00 per Medicaid trauma admission in the CHAP base period.

ii) Hospitals with Medicaid trauma admissions less than the mean Medicaid trauma admissions, for all hospitals qualifying under subsection (a)(1)(A) of this Section, shall receive an adjustment of \$14,165.00 per Medicaid trauma admission in the CHAP base period.

2) Level II Rural Trauma Center Adjustment ~~(TCA)~~. Illinois rural hospitals, as defined in Section 148.25(g)(3), that, on the first day of July in the CHAP rate period, are recognized as a Level II trauma center by the Illinois Department of Public Health shall receive an adjustment of \$11,565.00 per Medicaid trauma admission in the CHAP base period.

3) Level II Urban Trauma Center Adjustment ~~(TCA)~~. Illinois urban hospitals, as described in Section 148.25(g)(4), that, on the first day of July in the CHAP rate period, are recognized as Level II trauma centers by the Illinois Department of Public Health shall receive an adjustment of \$11,565.00 per Medicaid trauma admission in the CHAP base period, provided that such hospital meets the criteria described below:

A) The hospital is located in a county with no Level I trauma center; and

B) The hospital is located in a Health Professional Shortage Area (HPSA) (42 CFR 5), as of the first day of July in the CHAP rate period, and has a Medicaid trauma admission percentage at or above the mean of the individual facility values determined in subsection (a)(3) of this Section; or the hospital is not located in an HPSA ~~(42 CFR 5)~~ and has a Medicaid trauma admission percentage that is at least the mean plus one standard

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

deviation of the individual facility values determined in subsection (a)(3) of this Section.

b) Rehabilitation Hospital Adjustment (RHA)

Illinois hospitals that, on the first day of July in the CHAP rate period, qualify as rehabilitation hospitals, as defined in 89 Ill. Adm. Code 149.50(c)(2), and that are accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF), shall receive a rehabilitation hospital adjustment in the CHAP rate period that consists of the following three components:

- 1) Treatment Component. All hospitals defined in subsection (b) of this Section shall receive ~~\$4,215.00~~ ~~\$3,886~~ per Medicaid Level I rehabilitation admission in the CHAP base period.
- 2) Facility Component. All hospitals defined in subsection (b) of this Section shall receive a facility component that shall be based upon the number of Medicaid Level I rehabilitation admissions in the CHAP base period as follows:
 - A) Hospitals with fewer than 60 Medicaid Level I rehabilitation admissions in the CHAP base period shall receive a facility component of ~~\$229,360.00~~ ~~\$211,450~~ in the CHAP rate period.
 - B) Hospitals with 60 or more Medicaid Level I rehabilitation admissions in the CHAP base period shall receive a facility component of ~~\$527,528.00~~ ~~\$486,335~~ in the CHAP rate period.
- 3) Health Professional Shortage Area Adjustment Component. Hospitals defined in subsection (b) of this Section that are located in an HPSA (~~42 CFR 5~~) on July 1, 1999, shall receive ~~\$276.00~~ ~~\$254~~ per Medicaid Level I rehabilitation inpatient day in the CHAP base period.

c) Direct Hospital Adjustment (DHA) Criteria

1) Qualifying Criteria

Hospitals may qualify for the DHA under this subsection (c) under the following categories:

- A) Except for hospitals operated by the University of Illinois, children's hospitals, psychiatric hospitals, rehabilitation hospitals and long term stay hospitals, all other hospitals located in Health Service Area (HSA) 6 that either:
 - i) were eligible for Direct Hospital Adjustments under the CHAP program as of July 1, 1999, and had a Medicaid inpatient utilization rate (MIUR) equal to or greater than the statewide mean in Illinois on July 1, 1999;
 - ii) were eligible under the Supplemental Critical Hospital Adjustment Payment (SCHAP) program as of July 1, 1999, and had an MIUR equal to or greater than the statewide mean in

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- Illinois on July 1, 1999; or
- iii) were county owned hospitals as defined in 89 Ill. Adm. Code 148.25(b)(1)(A), and had an MIUR equal to or greater than the statewide mean in Illinois on July 1, 1999.
- B) Illinois hospitals located outside of HSA 6 that had an MIUR greater than 60 percent on July 1, 1999, and an average length of stay less than ten days. The following hospitals are excluded from qualifying under this subsection (c)(1)(B): children's hospitals; psychiatric hospitals; rehabilitation hospitals; and long term stay hospitals.
- C) Children's hospitals, as defined under 89 Ill. Adm. Code Section 149.50(c)(3), on July 1, 1999.
- D) Illinois teaching hospitals, with more than 40 graduate medical education programs on July 1, 1999, not qualifying in subsection (c)(1)(A), (B), or (C) of this Section.
- E) Except for hospitals operated by the University of Illinois, children's hospitals, psychiatric hospitals, rehabilitation hospitals, long term stay hospitals and hospitals qualifying in subsection (c)(1)(A), (B), (C) or (D) of this Section, all other hospitals located in Illinois that had an MIUR equal to or greater than the mean plus one-half standard deviation on July 1, 1999, and provided more than 15,000 Total days.
- ~~F) Except for hospitals operated by the University of Illinois, children's hospitals, psychiatric hospitals, rehabilitation hospitals, long term stay hospitals and hospitals otherwise qualifying in subsection (c)(1)(A), (B), (C), (D) or (E) of this Section, all other hospitals that had an MIUR greater than 20.25 percent on July 1, 1999, and provided more than 20,000 Total days.~~
- ~~G) Except for hospitals operated by the University of Illinois, children's hospitals, psychiatric hospitals, rehabilitation hospitals, long term stay hospitals and hospitals otherwise qualifying in subsection (c)(1)(A), (B), (C), (D), (E) or (F) of this Section, all other hospitals that had an MIUR greater than 50 percent on July 1, 1999, and provided more than 10,000 Total days.~~
- ~~F)H) Except for hospitals operated by the University of Illinois, children's hospitals, psychiatric hospitals, rehabilitation hospitals, long term stay hospitals and hospitals otherwise qualifying in subsection (c)(1)(A), (B), (C), (D), or (E), ~~(F) or (G)~~ of this Section, all other hospitals that had an MIUR greater than 40 percent on July 1, 1999, and provided more than 7,500 Total days and provided obstetrical care as of July 1, 2001.~~
- 2) DHA Rates
- A) For hospitals qualifying under subsection (c)(1)(A) of this Section, the

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

DHA rates are as follows:

- i) Hospitals that have a Combined MIUR that is equal to or greater than the Statewide mean Combined MIUR, but less than one standard deviation above the Statewide mean Combined MIUR, will receive ~~\$69.00~~ ~~\$63~~ per day for hospitals that do not provide obstetrical care and ~~\$105.00~~ ~~\$97~~ per day for hospitals that do provide obstetrical care.
 - ii) Hospitals that have a Combined MIUR that is equal to or greater than one standard deviation above the Statewide mean Combined MIUR, but less than one and one-half standard deviation above the Statewide mean Combined MIUR, will receive ~~\$105.00~~ ~~\$97~~ per day for hospitals that do not provide obstetrical care and ~~\$142.00~~ ~~\$131~~ per day for hospitals that do provide obstetrical care.
 - iii) Hospitals that have a Combined MIUR that is equal to or greater than one and one-half standard deviation above the Statewide mean Combined MIUR, but less than two standard deviations above the Statewide mean Combined MIUR, will receive ~~\$124.00~~ ~~\$114~~ per day for hospitals that do not provide obstetrical care and ~~\$160.00~~ ~~\$148~~ per day for hospitals that do provide obstetrical care.
 - iv) Hospitals that have a Combined MIUR that is equal to or greater than two standard deviations above the Statewide mean Combined MIUR will receive ~~\$142.00~~ ~~\$131~~ per day for hospitals that do not provide obstetrical care and ~~\$179.00~~ ~~\$165~~ per day for hospitals that do provide obstetrical care.
- B) Hospitals qualifying under subsection (c)(1)(A) of this Section will also receive the following rates:
- i) County owned hospitals as defined in Section 148.25 with more than 30,000 Total days will have their rate increased by ~~\$455.00~~ per day.
 - ii) Hospitals that are not county owned with more than 30,000 Total days will have their rate increased by ~~\$330.00~~ ~~\$292~~ per day.
 - iii) Hospitals with more than 80,000 Total days will have their rate increased by an additional ~~\$423.00~~ ~~\$434~~ per day.
 - iv) Hospitals with more than 4,500 Obstetrical days will have their rate increased by ~~\$101.00~~ ~~\$93~~ per day.
 - v) Hospitals with more than 5,500 Obstetrical days will have their rate increased by an additional ~~\$194.00~~ ~~\$202~~ per day.
 - vi) Hospitals with an MIUR ~~rate~~-greater than 74 percent will have

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- their rate increased by ~~\$147.00~~ \$135 per day.
- vii) Hospitals with an average length of stay less than 3.9 days will have their rate increased by ~~\$41.00~~ \$38 per day.
 - viii) Hospitals with an MIUR greater than the statewide mean plus one standard deviation that are designated a Perinatal Level 2 Center and have one or more obstetrical graduate medical education programs as of July 1, 1999, will have their rate increased by ~~\$227.00~~ \$76 per day.
 - ix) Hospitals receiving payments under subsection (c)(2)(A)(ii) of this Section that have an average length of stay less than four days will have their rate increased by ~~\$41.00~~ \$38 per day.
 - x) Hospitals receiving payments under subsection (c)(2)(A)(ii) of this Section that have an MIUR greater than 60 percent will have their rate increased by ~~\$202.00~~ \$186 per day.
 - xi) Hospitals receiving payments under subsection (c)(2)(A)(iv) of this Section that have ~~an MIUR a Medicaid inpatient utilization rate~~ greater than 70 percent and have more than 20,000 days will have their rate increased by ~~\$11.00~~ \$4 per day.
- C) Hospitals qualifying under subsection (c)(1)(B) of this Section will receive the following rates:
- i) Qualifying hospitals will receive a rate of ~~\$303.00~~ \$279 per day.
 - ii) Qualifying hospitals with ~~the~~ more than 1,500 Obstetrical days will have their rate increased by ~~\$206.00~~ \$190 per day.
- D) Hospitals qualifying under subsection (c)(1)(C) of this Section will receive the following rates:
- i) Hospitals will receive a rate of ~~\$28.00~~ \$25 per day.
 - ii) Hospitals located in Illinois and outside of HSA 6, that have ~~an MIUR a Medicaid inpatient utilization rate~~ greater than 60 percent, will have their rate increased by ~~\$55.00~~ \$51 per day.
 - iii) Hospitals located in Illinois and inside HSA 6, that have ~~an MIUR a Medicaid inpatient utilization rate~~ greater than 80 percent, will have their rate increased by ~~\$403.00~~ \$364 per day.
 - iv) Hospitals that are not located in Illinois that have ~~an MIUR a Medicaid inpatient utilization rate~~ greater than 45 percent will have their rate increased by ~~\$32.00~~ \$30 per day for hospitals that have fewer than 4,000 Total days; or \$246.00 per day for hospitals that have more than 4,000 Total days but fewer than 8,000 Total days; or \$178.00 per day for hospitals that have more than 8,000 Total days.
 - v) Hospitals with more than 3,200 Total admissions will have their

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- rate increased by ~~\$248.00~~ \$228 per day.
- E) Hospitals qualifying under subsection (c)(1)(D) of this Section will receive the following rates:
- i) Hospitals will receive a rate of ~~\$41.00~~ \$38 per day.
 - ii) Hospitals with an MIUR between 18 percent and 19.75 percent will have their rate increased by an additional ~~\$14.00~~ \$13 per day.
 - iii) Hospitals with an MIUR equal to or greater than 19.75 percent will have their rate increased by an additional ~~\$87.00~~ \$34 per day.
 - iv) Hospitals with a combined MIUR that is equal to or greater than 35 percent will have their rate increased by an additional ~~\$41.00~~ \$83 per day.
- F) Hospitals qualifying under subsection (c)(1)(E) of this Section will receive ~~\$188.00~~ \$173 per day.
- ~~G) Hospitals qualifying under subsection (c)(1)(F) of this Section will receive a rate of \$135 per day.~~
- ~~H) Hospitals qualifying under subsection (c)(1)(G) of this Section will receive a rate of \$38 per day.~~
- ~~G) Hospitals qualifying under subsection (c)(1)(H) of this Section will receive a rate of \$55.00~~ \$51 per day.
- ~~H) Hospitals that qualify under subsection (c)(1)(A)(iii) of this Section will have their rates multiplied by a factor of two.~~
- 3) DHA Payments
- A) Payments under this subsection (c) will be made at least quarterly, beginning with the quarter ending December 31, 1999.
 - B) Payment rates will be multiplied by the Total days.
 - C) Total Payment Adjustments
 - i) For the CHAP rate period occurring in State fiscal year 2003, total payments will equal the methodologies described above. For the period October 1, 2002, to June 30, 2003, payment will equal the State fiscal year 2003 amount less the amount the hospital received under DHA for the quarter ended September 30, 2002.
 - ii) For CHAP rate periods occurring after State fiscal year 2003, total payments will equal the methodologies described above.
- d) Rural Critical Hospital Adjustment Payments (RCHAP)
- ~~Rural Critical Hospital Adjustment Payments (RCHAP)~~ shall be made to rural hospitals, as described in 89 Ill. Adm. Code 140.80(j)(1), for certain inpatient admissions. The hospital qualifying under this subsection that has the highest number of Medicaid obstetrical care admissions during the CHAP base period shall receive ~~\$367,179.00~~ \$338,320 per year. The Department shall also make an RCHAP ~~adjustment payment~~ to hospitals qualifying under this subsection at a rate that is the

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

greater of:

- 1) the product of ~~\$1,367.00~~ \$1,260 multiplied by the number of RCHAP Obstetrical Care Admissions in the CHAP base period, or
 - 2) the product of ~~\$138.00~~ \$127 multiplied by the number of RCHAP General Care Admissions in the CHAP base period.
- e) Total CHAP ~~Payment~~ Adjustments
- ~~Each For the remainder of the CHAP rate period occurring in State fiscal year 2002, each~~ eligible hospital's critical hospital adjustment payment shall equal the sum of the amounts for the programs described in subsections (a), (b), (c) and (d) of this Section. ~~shall equal the result of the following calculation: 1) The total payments resulting from payment methodologies in effect on January 1, 2002, will be reduced by the total payments calculated from the payment methodologies that were in effect on December 31, 2001. 2) The difference from subsection (e)(1) of this Section will be divided by two and added to the total payments calculated from the payment methodologies that were in effect on December 31, 2001. 3) The result of the calculation in subsection (e)(2) of this Section will be reduced by the actual payments each hospital already received for the period beginning July 1, 2001, and ending December 31, 2001, to produce the total payments for the remainder of State fiscal year 2002. 4) The critical hospital adjustment payments shall be paid at least quarterly.~~
- f) Critical Hospital Adjustment Limitations
- Hospitals that qualify for trauma center adjustments under subsection (a) of this Section shall not be eligible for the total trauma center adjustment if, during the CHAP rate period, the hospital is no longer recognized by the Illinois Department of Public Health as a Level I trauma center as required for the adjustment described in subsection (a)(1) of this Section, or a Level II trauma center as required for the adjustment described in subsection (a)(2) or (a)(3) of this Section. In these instances, the adjustments calculated shall be pro-rated, as applicable, based upon the date that such recognition ceased.
- g) Critical Hospital Adjustment Payment Definitions
- The definitions of terms used with reference to calculation of the CHAP required by this Section are as follows:
- 1) "CHAP base period" means State Fiscal Year 1994 for CHAP ~~payments~~ calculated for the July 1, 1995, CHAP rate period; State Fiscal Year 1995 for CHAP ~~payments~~ calculated for the July 1, 1996, CHAP rate period; etc.
 - 2) "CHAP rate period" means, beginning July 1, 1995, the 12 month period beginning on July 1 of the year and ending June 30 of the following year.
 - 3) "Combined MIUR" means the sum of Medicaid Inpatient Utilization Rate (MIUR) as of July 1, 1999, and as defined in Section 148.120(k)(5), plus the Medicaid obstetrical inpatient utilization rate, as described in Section

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

148.120(k)(6), as of July 1, 1999.

- 4) "Medicaid general care admission" means hospital inpatient admissions that ~~which~~ were subsequently adjudicated by the Department through the last day of June preceding the CHAP rate period and contained within the Department's paid claims data base, for recipients of medical assistance under Title XIX of the Social Security Act, excluding admissions for normal newborns, Medicare/Medicaid crossover admissions, psychiatric and rehabilitation admissions.
- 5) "Medicaid Level I rehabilitation admissions" means those claims billed as Level I admissions that ~~which~~ were subsequently adjudicated by the Department through the last day of June preceding the CHAP rate period and contained within the Department's paid claims data base, with an ICD-9-CM principal diagnosis code of: 054.3, 310.1 through 310.2, 320.1, 336.0 through 336.9, 344.0 through 344.2, 344.8 through 344.9, 348.1, 801.30, 803.10, 803.84, 806.0 through 806.19, 806.20 through 806.24, 806.26, 806.29 through 806.34, 806.36, 806.4 through 806.5, 851.06, 851.80, 853.05, 854.0 through 854.04, 854.06, 854.1 through 854.14, 854.16, 854.19, 905.0, 907.0, 907.2, 952.0 through 952.09, 952.10 through 952.16, 952.2, and V57.0 through V57.89, excluding admissions for normal newborns.
- 6) "Medicaid Level I rehabilitation inpatient day" means the days associated with the claims defined in subsection (g)(5) of this Section.
- 7) "Medicaid obstetrical care admission" means hospital inpatient admissions that ~~which~~ were subsequently adjudicated by the Department through the last day of June preceding the CHAP rate period and contained within the Department's paid claims data base, for recipients of medical assistance under Title XIX of Social Security Act, with Diagnosis Related Grouping (DRG) of 370 through 375; and specifically excludes Medicare/Medicaid crossover claims.
- 8) "Medicaid trauma admission" means those claims billed as admissions that ~~which~~ were subsequently adjudicated by the Department through the last day of June preceding the CHAP rate period and contained within the Department's paid claims data base, with an ICD-9-CM principal diagnosis code of: 800.0 through 800.99, 801.0 through 801.99, 802.0 through 802.99, 803.0 through 803.99, 804.0 through 804.99, 805.0 through 805.98, 806.0 through 806.99, 807.0 through 807.69, 808.0 through 808.9, 809.0 through 809.1, 828.0 through 828.1, 839.0 through 839.3, 839.7 through 839.9, 850.0 through 850.9, 851.0 through 851.99, 852.0 through 852.59, 853.0 through 853.19, 854.0 through 854.19, 860.0 through 860.5, 861.0 through 861.32, 862.8, 863.0 through 863.99, 864.0 through 864.19, 865.0 through 865.19, 866.0 through 866.13, 867.0 through 867.9, 868.0 through 868.19, 869.0 through 869.1, 887.0 through 887.7, 896.0 through 896.3, 897.0 through 897.7, 900.0 through 900.9, 902.0

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- through 904.9, 925, 926.8, 929.0 through 929.99, 958.4, 958.5, 990 through 994.99.
- 9) "Medicaid trauma admission percentage" means a fraction, the numerator of which is the hospital's Medicaid trauma admissions and the denominator of which is the total Medicaid trauma admissions in a given 12 month period for all Level II urban trauma centers.
 - 10) "RCHAP general care admissions" means Medicaid General Care Admissions, as defined in subsection (g)(4) of this Section, less RCHAP Obstetrical Care Admissions, occurring in the CHAP base period.
 - 11) "RCHAP obstetrical care admissions" means Medicaid Obstetrical Care Admissions, as defined in subsection (g)(7) of this Section, with a Diagnosis Related Grouping (DRG) of 370 through 375, occurring in the CHAP base period.
 - 12) "Total admissions" means total paid admissions contained in the Department's paid claims database, including obstetrical admissions multiplied by two and excluding Medicare crossover admissions, for dates of service occurring in State fiscal year 1998 and adjudicated through June 30, 1999.
 - 13) "Total days" means total paid days contained in the Department's paid claims database, including obstetrical days multiplied by two and excluding Medicare crossover days, for dates of service occurring in State fiscal year 1998 and adjudicated through June 30, 1999.
 - 14) "Total obstetrical days" means hospital inpatient days for dates of service occurring in State fiscal year 1998 and adjudicated through June 30, 1999, with an ICD-9-CM principal diagnosis code of 640.0 through 648.9 with a 5th digit of 1 or 2; 650; 651.0 through 659.9 with a 5th digit of 1, 2, 3, or 4; 660.0 through 669.9 with a 5th digit of 1, 2, 3, or 4; 670.0 through 676.9 with a 5th digit of 1 or 2; V27 through V27.9; V30 through V39.9; or any ICD-9-CM principal diagnosis code that is accompanied with a surgery procedure code between 72 and 75.99; and specifically excludes Medicare/Medicaid crossover claims.

(Source: Amended at 26 Ill. Reg. _____, effective _____)

Section 148.310 Review Procedure

- a) Inpatient Rate Reviews
 - 1) Hospitals shall be notified of their inpatient rate for the rate year and shall have an opportunity to request a review of any rate for errors in calculation made by the Department. Such a request must be submitted in writing to the Department and must be received or post marked within 30 days after the date of the

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

Department's notice to the hospital of its rates. The Department shall notify the hospital of the results of the review within 30 days after receipt of the hospital's request for review.

- 2) Hospitals reimbursed in accordance with Sections 148.250 through 148.300 and 89 Ill. Adm. Code 149 with respect to per diem add-ons for capital may request that an adjustment be made to their base year costs to reflect significant changes in costs ~~that which~~ have been mandated in order to meet State, federal or local health and safety standards, and ~~that which~~ have occurred since the hospital's filing of the base year cost report. The allowable Medicare/Medicaid costs must be identified from the most recent audited cost report available. These costs must be significant, i.e., on a per unit basis, they must constitute one percent or more of the total allowable Medicaid/Medicare unit costs for the same time period. Appeals for base year cost adjustments must be submitted in writing to the Department and must be received or post marked within 30 days after the date of the Department's notice to the hospital of its rates. Such request shall include a clear explanation of the cost change and documentation of the desired correction. The Department shall notify the hospital of the results of the review within 30 days after receipt of the hospital's request for review.
- b) DSH Determination Reviews
- 1) Hospitals shall be notified of their qualification for DSH payment adjustments and shall have an opportunity to request a review of the DSH add-on for errors in calculation made by the Department. Such a request must be submitted in writing to the Department and must be received or post marked within 30 days after the date of the Department's notice to the hospital of its disproportionate share qualification and add-on calculations. Such request shall include a clear explanation of the error and documentation of the desired correction. The Department shall notify the hospital of the results of the review within 30 days after receipt of the hospital's request for review.
 - 2) DSH determination reviews shall be limited to the following:
 - A) DSH Determination Criteria. The criteria for DSH determination shall be in accordance with Section 148.120. Review shall be limited to verification that the Department utilized criteria in accordance with State regulations.
 - B) Medicaid Inpatient Utilization Rates. Medicaid inpatient utilization rates shall be calculated pursuant to Section 1923 of the Social Security Act and as defined in Section 148.120(k)(5). Review shall be limited to verification that Medicaid inpatient utilization rates were calculated in accordance with federal and State regulations.
 - C) Low Income Utilization Rates. Low Income utilization rates shall be

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

calculated in accordance with Section 1923 of the Social Security Act and Section 148.120(a)(2) and (d). Review shall be limited to verification that low income utilization rates were calculated in accordance with federal and State regulations.

- D) Federally Designated Health Manpower Shortage Areas (HMSAs). Illinois hospitals located in federally designated HMSAs shall be identified in accordance with 42 CFR 5, (1989), and Section 148.120(a)(3) based upon the methodologies utilized by, and the most current information available to, the Department from the federal Department of Health and Human Services as of June 30, 1992. Review shall be limited to hospitals in locations that have failed to obtain designation as federally designated HMSAs only when such a request for review is accompanied by documentation from the Department of Health and Human Services substantiating that the hospital was located in a federally designated HMSA as of June 30, 1992.
- E) Excess Beds. Excess bed information shall be determined in accordance with Public Act 86-268 (~~Code~~ Section 148.120(a)(3) and 77 Ill. Adm. Code 1100) based upon the methodologies utilized by, and the most current information available to, the Illinois Health Facilities Planning Board as of July 1, 1991. Reviews shall be limited to requests accompanied by documentation from the Illinois Health Facilities Planning Board substantiating that the information supplied to and utilized by the Department was incorrect.
- F) Medicaid Obstetrical Inpatient Utilization Rates. Medicaid obstetrical inpatient utilization rates shall be calculated in accordance with Section 148.120(a)(4), (k)(4), (k)(6) and (k)(7). Review shall be limited to verification that Medicaid obstetrical inpatient utilization rates were calculated in accordance with State regulations.
- c) Outlier Adjustment Reviews
The Department shall make outlier adjustments to payment amounts in accordance with 89 Ill. Adm. Code 149.105 or Section 148.130, whichever is applicable. Hospitals shall be notified of the specific information ~~that which~~ shall be utilized in the determination of those services qualified for an outlier adjustment and shall have an opportunity to request a review of such specific information for errors in calculation made by the Department. Such a request must be submitted in writing to the Department and must be received or post marked within 30 days after the date of the Department's notice to the hospital of the specific information ~~that which~~ shall be utilized in the determination of those services qualified for an outlier adjustment. Such request shall include a clear explanation of the error and documentation of the desired correction. The Department shall notify the hospital of the results of the

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- review within 30 days after receipt of the hospital's request for review.
- d) Cost Report Reviews
- 1) Cost reports are required from:
 - A) All enrolled hospitals within the State of Illinois;
 - B) All out-of-state hospitals providing 100 inpatient days of service per hospital fiscal year, to persons covered by the Illinois Medical Assistance Program; and
 - C) All hospitals not located in Illinois that elect to be reimbursed under the methodology described in 89 Ill. Adm. Code 149 (the DRG PPS).
 - 2) The completed cost statement with a copy of the hospital's Medicare cost report and audited financial statement must be submitted annually within 90 days ~~of~~ after the close of the hospital's fiscal year. A one-time 30-day extension may be requested. Such a request for an extension shall be in writing and shall be received by the Department's Office of Health Finance prior to the end of the 90-day filing period. The Office of Health Finance shall audit the information shown on the Hospital Statement of Reimbursable Cost and Support Schedules. The audit shall be made in accordance with generally accepted auditing standards and shall include tests of the accounting and statistical records and applicable auditing procedures. Hospitals shall be notified of the results of the final audited cost report, which may contain adjustments and revisions that ~~which~~ may have resulted from the audited Medicare Cost Report. Hospitals shall have the opportunity to request a review of the final audited cost report. Such a request must be received in writing by the Department within 45 days after the date of the Department's notice to the hospital of the results of the finalized audit. Such request shall include all items of documentation and analysis that ~~which~~ support the request for review. No additional data shall be accepted after the 45 day period. The Department shall notify the hospital of the results of the review within 30 days after receipt of the hospital's request for review.
- e) Trauma Center Adjustment Reviews
- 1) The Department shall make trauma care adjustments in accordance with Section 148.290(c). Hospitals shall have the right to appeal the trauma center adjustment calculations if it is believed that a technical error has been made in the calculation by the Department.
 - 2) Trauma level designation is obtained from the Illinois Department of Public Health as of the first day of July preceding the trauma center adjustment rate period. Review shall be limited to requests accompanied by documentation from the Illinois Department of Public Health, or the licensing agency in the state in which the hospital is located, substantiating that the information supplied to and utilized by the Department was incorrect.

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- 3) Appeals under this subsection (e) must be submitted in writing to the Department and must be received or post marked within 30 days after the date of the Department's notice to the hospital of its qualification for trauma center adjustments and payment amounts. Such a request shall include a clear explanation of the reason for the appeal and documentation of the desired correction. The Department shall notify the hospital of the results of the review within 30 days after receipt of the hospital's request for review.
- f) **Medicaid High Volume Adjustment Reviews**

The Department shall make Medicaid high volume adjustments in accordance with Section 148.290(d). Review shall be limited to verification that the Medicaid inpatient days were calculated in accordance with State regulations. The appeal must be submitted in writing to the Department and must be received or post marked within 30 days after the date of the Department's notice to the hospital of its qualification for Medicaid high volume adjustments and payment amounts. Such a request shall include a clear explanation of the reason for the appeal and documentation of the desired correction. The Department shall notify the hospital of the results of the review within 30 days after receipt of the hospital's request for review.
- g) **Sole Community Hospital Designation Reviews**

The Department shall make sole community hospital designations in accordance with 89 Ill. Adm. Code 149.125(b). Hospitals shall have the right to appeal the designation if it is believed that a technical error has been made in the determination. The appeal must be submitted in writing to the Department and must be received or post marked within 30 days after notification of the designation. Such a request shall include a clear explanation of the reason for the appeal and documentation of the desired correction. The Department shall notify the hospital of the results of the review no later than 30 days after receipt of the hospital's request for review.
- h) **Geographic Designation Reviews**
 - 1) The Department shall make rural hospital designations in accordance with Section 148.25(g)(3). Hospitals shall have the right to appeal the designation if it is believed that a technical error has been made in the determination. The appeal must be submitted in writing to the Department and must be received or post marked within 30 days after the date of the Department's notification of the designation. Such a request shall include a clear explanation of the reason for the appeal and documentation of the desired correction. The Department shall notify the hospital of the results of the review no later than 30 days after receipt of the hospital's request for review.
 - 2) The Department shall make urban hospital designations in accordance with Section 148.25(g)(4). Hospitals shall have the right to appeal the designation if it is believed that a technical error has been made in the determination. The

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

appeal must be submitted in writing to the Department and must be received or post marked within 30 days after the date of the Department's notification of the designation. Such a request shall include a clear explanation of the reason for the appeal and documentation of the desired correction. The Department shall notify the hospital of the results of the review no later than 30 days after receipt of the hospital's request for review.

i) Critical Hospital Adjustment Payment (CHAP) Reviews

- 1) The Department shall make CHAP ~~payments~~ in accordance with Section 148.295. Hospitals shall be notified in writing of the results of the CHAP determination and calculation, and shall have the right to appeal the CHAP calculation or their ineligibility for the CHAP if it is believed that a technical error has been made in the calculation by the Department. The appeal must be submitted in writing to the Department and must be received or post marked within 30 days after the date of the Department's notice to the hospital of its qualification for CHAP and payment adjustment amounts, or a letter of notification that the hospital does not qualify for the CHAP. Such a request shall include a clear explanation of the reason for the appeal and documentation of the desired correction. The Department shall notify the hospital of the results of the review within 30 days after receipt of the hospital's request for review.
- 2) CHAP determination reviews shall be limited to the following:
 - A) Federally Designated Health Professional Shortage Areas (HPSAs). Illinois hospitals located in federally designated HPSAs shall be identified in accordance with 42 CFR 5, and Section 148.295(a)(3)(B) and (b)(3) based upon the methodologies utilized by, and the most current information available to, the Department from the federal Department of Health and Human Services as of the last day of June preceding the CHAP rate period. Review shall be limited to hospitals in locations that have failed to obtain designation as federally designated HPSAs only when such a request for review is accompanied by documentation from the Department of Health and Human Services substantiating that the hospital was located in a federally designated HPSA as of the last day of June preceding the CHAP rate period.
 - B) Trauma level designation. Trauma level designation is obtained from the Illinois Department of Public Health as of the last day of June preceding the CHAP rate period. Review shall be limited to requests accompanied by documentation from the Illinois Department of Public Health, substantiating that the information supplied to and utilized by the Department was incorrect.
 - C) Accreditation of Rehabilitation Facilities. Accreditation of rehabilitation

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- facilities shall be obtained from the Commission on Accreditation of Rehabilitation Facilities as of the last day of June preceding the CHAP rate period. Review shall be limited to requests accompanied by documentation from the Commission, substantiating that the information supplied to and utilized by the Department was incorrect.
- D) Medicaid Inpatient Utilization Rates. Medicaid inpatient utilization rates shall be calculated pursuant to Section 1923 of the Social Security Act and as defined in Section 148.120(k)(5). Review shall be limited to verification that Medicaid inpatient utilization rates were calculated in accordance with federal and State regulations.
- E) Graduate Medical Education Programs. Graduate Medical Education program information shall be obtained from the most recently published report of the American Accreditation Council for Graduate Medical Education, the American Osteopathic Association Division of Post-doctoral Training, or the American Dental Association Joint Commission on Dental Accreditation as of the last day of June preceding the CHAP rate period. Review shall be limited to requests accompanied by documentation from the above, substantiating that the information supplied to and utilized by the Department was incorrect.
- j) Tertiary Care Adjustment Payment Reviews. The Department shall make Tertiary Care Adjustment Payments in accordance with Section 148.296. Hospitals shall be notified in writing of the results of the Tertiary Care Adjustment Payments determination and calculation, and shall have the right to appeal the Tertiary Care Adjustment Payments calculation or their ineligibility for Tertiary Care Adjustment Payments if it is believed that a technical error has been made in the calculation by the Department. The appeal must be submitted in writing to the Department and must be received or post marked within 30 days after the date of the Department's notice to the hospital of its qualification for Tertiary Care Adjustment Payments and payment adjustment amounts, or a letter of notification that the hospital does not qualify for Tertiary Care Adjustment Payments. Such a request must include a clear explanation of the reason for the appeal and documentation that supports the desired correction. The Department shall notify the hospital of the results of the review within 30 days after receipt of the hospital's request for review.
- k) Pediatric Outpatient Adjustment Payments. The Department shall make Pediatric Outpatient Adjustment payments in accordance with Section 148.297. Hospitals shall be notified in writing of the results of the determination and calculation, and shall have the right to appeal the calculation or their ineligibility for payments under Section 148.297 if it is believed that a technical error has been made in the calculation by the Department. The appeal must be submitted in writing to the Department and must be received or post marked within 30 days after the date of the Department's

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

notice to the hospital of its qualification under Section 148.297 and payment adjustment amounts, or a letter of notification that the hospital does not qualify for such payments. Such a request must include a clear explanation of the reason for the appeal and documentation that supports the desired correction. The Department shall notify the hospital of the results of the review within 30 days after receipt of the hospital's request for review.

- l) **Pediatric Inpatient Adjustment Payments.** The Department shall make Pediatric Inpatient Adjustment payments in accordance with Section 148.298. Hospitals shall be notified in writing of the results of the determination and calculation, and shall have the right to appeal the calculation or their ineligibility for payments under Section 148.298 if it is believed that a technical error has been made in the calculation by the Department. The appeal must be submitted in writing to the Department and must be received or post marked within 30 days after the date of the Department's notice to the hospital of its qualification under Section 148.298 and payment adjustment amounts, or a letter of notification that the hospital does not qualify for such payments. Such a request must include a clear explanation of the reason for the appeal and documentation that supports the desired correction. The Department shall notify the hospital of the results of the review within 30 days after receipt of the hospital's request for review.

- m) Safety Net Adjustment Payment Reviews. The Department shall make Safety Net Adjustment Payments in accordance with Section 148.126. Hospitals shall be notified in writing of the results of the Safety Net Adjustment Payment determination and calculation, and shall have the right to appeal the Safety Net Adjustment Payment calculation or their ineligibility for Safety Net Adjustment Payments if it is believed that a technical error has been made in the calculation by the Department. The appeal must be submitted in writing to the Department and must be received or post marked within 30 days after the date of the Department's notice to the hospital of its qualification for Safety Net Adjustment Payments and payment adjustment amounts, or a letter of notification that the hospital does not qualify for Safety Net Adjustment Payments. Such a request must include a clear explanation of the reason for the appeal and documentation that supports the desired correction. The Department shall notify the hospital of the results of the review within 30 days after receipt of the hospital's request for review.

- n) Psychiatric Adjustment Payment. The Department shall make Psychiatric Adjustment Payments in accordance with Section 148.105. Hospitals shall be notified in writing of the results of the Psychiatric Adjustment Payments determination and calculation, and shall have a right to appeal the Psychiatric Adjustment Payments calculation or their ineligibility for Psychiatric Adjustment Payments if it is believed that a technical error has been made in the calculation by the Department. The appeal must be submitted in writing to the Department and must

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- be received or post marked within 30 days after the date of the Department's notice to the hospital of its qualification for Psychiatric Adjustment Payments and payment adjustment amounts, or a letter of notification that the hospital does not qualify for Psychiatric Adjustment Payments. Such a request must include a clear explanation of the reason for the appeal and documentation that supports the desired correction. The Department shall notify the hospital of the results of the review within 30 days after receipt of the hospital's request for review.
- o) Rural Adjustment Payment. The Department shall make Rural Adjustment Payments in accordance with Section 148.115.
- 1) Hospitals shall be notified in writing of the results of the Rural Adjustment Payments determination and calculation, and shall have a right to appeal the Rural Adjustment Payments calculation or their ineligibility for Rural Adjustment Payments if it is believed that a technical error has been made in the calculation by the Department.
 - 2) The designation of Critical Access Provider or Necessary Provider, which are qualifying criteria for Rural Adjustment Payments (see Section 148.115(a)), is obtained from the Illinois Department of Public Health (IDPH) as of the first day of July proceeding the Rural Adjustment Payment rate period. Review shall be limited to requests accompanied by documentation from IDPH, substantiating that the information supplied to and utilized by the Department was incorrect.
 - 3) The appeal must be submitted in writing to the Department and must be received or post marked within 30 days after the date of the Department's notice to the hospital of its qualification for Rural Adjustment Payments and payment adjustment amounts, or a letter of notification that the hospital does not qualify for Rural Adjustment Payments. Such a request must include a clear explanation of the reason for the appeal and documentation that supports the desired correction. The Department shall notify the hospital of the results of the review within 30 days after receipt of the hospital's request for review.
- ~~p)m)~~ For purposes of this Section, the term "post marked" means the date of processing by the United States Post Office or any independent carrier service.
- ~~q)n)~~ The review procedures provided for in this Section may not be used to submit any new or corrected information that was required to be submitted by a specific date in order to qualify for a payment or payment adjustment. In addition, only information that was submitted expressly for the purpose of qualifying for the payment or payment adjustment under review shall be considered by the Department. Information that has been submitted to the Department for other purposes will not be considered during the review process.

(Source: Amended at 26 Ill. Reg. _____, effective _____)

DEPARTMENT OF TRANSPORTATION

NOTICE OF PROPOSED AMENDMENT

- 1) Heading of the Part : Official Testing Stations
- 2) Code Citation: 92 Ill. Adm. Code 448
- 3) Section Number: EXHIBIT B Proposed Action: New Exhibit
- 4) Statutory Authority: Implementing and authorized by Section 12-711 and 12-503 of the Illinois Vehicle Equipment Law [625 ILCS 5/12-711 and 12-503], the Illinois Vehicle Inspector Law [625 ILCS 5/Ch. 13] and Section 6-410 of the Illinois Driver Licensing Law [625 ILCS 5/6-410]. (See P.A. 92-108, effective January 1, 2002.)
- 5) A Complete Description of the Subjects and Issues Involved: By this Notice, the Department is proposing to add Exhibit B to establish inspector criteria for contract carriers pursuant to P.A. 92-108, effective January 1, 2002. P.A. 92-108 requires vehicles designed to carry 15 or fewer passengers that are operated by a contract carrier transporting employees in the course of their employment to be inspected semi-annually at Illinois Official Testing Stations. This Part governs the inspection criteria for certain vehicles, including these applicable contract carriers, required to be inspected at Illinois Official Testing Stations.
- 6) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Does this rulemaking contain incorporations by reference? No
- 9) Are there any other proposed rulemakings pending on this Part? No
- 10) Statement of Statewide Policy Objective: This rulemaking affects units of local government that utilize contract carriers to transport their employees in the course of their employment in vehicles designed to carry 15 or fewer passengers.
- 11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Any interested party may submit written comments or arguments concerning these proposed amendments. Written submissions shall be filed with:

By U.S. Mail:

Ms Catherine Allen

DEPARTMENT OF TRANSPORTATION

NOTICE OF PROPOSED AMENDMENT

Illinois Department of Transportation
Division of Traffic Safety
P.O. Box 19212
Springfield, Illinois 62794-9212
(217) 785-1181

By Messenger or Inter-Agency Mail:

DOT Annex Building
3215 Executive Park Drive
Commercial Vehicle Safety; 3rd Floor
Springfield, Illinois

JCAR requests, comments and concerns regarding this rulemaking should be addressed to:

Ms Christine Caronna-Beard, Rules Manager
Illinois Department of Transportation
2300 South Dirksen Parkway, Room 311
Springfield, Illinois 62764
(217) 782-3215

Comments received within 45 days after the date of publication of this *Illinois Register* will be considered. Comments received after that time will be considered, time permitting.

- 12) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not for profit corporations affected: This rulemaking affects small businesses that utilize or operate contract carriers to transport their employees in the course of their employment in vehicles designed to carry 15 or fewer passengers.
 - B) Reporting, bookkeeping or other procedures required for compliance: No reporting or bookkeeping procedures are required for compliance.
 - C) Types of professional skills necessary for compliance: No professional skills are required for compliance.
- 13) Regulatory Agenda on which this rulemaking was summarized: July 2002

DEPARTMENT OF TRANSPORTATION

NOTICE OF PROPOSED AMENDMENT

The full text of the Proposed Amendment begins on the next page:

DEPARTMENT OF TRANSPORTATION

NOTICE OF PROPOSED AMENDMENT

TITLE 92: TRANSPORTATION

CHAPTER I: DEPARTMENT OF TRANSPORTATION

SUBCHAPTER e: TRAFFIC SAFETY (EXCEPT HAZARDOUS MATERIALS)

PART 448

OFFICIAL TESTING STATIONS

Section

448.5	Effective Date
448.10	Address for Correspondence
448.15	Other Acceptable Certificates of Safety or Inspection
448.20	Definitions
448.30	Application Procedure for a Station Permit
448.40	Applicant Qualifications
448.50	Official Testing Station Qualifications
448.60	Lane Qualifications
448.70	Lane Classification, Requirements, and Safety Test Equipment
448.80	General Responsibility of Station Owner
448.90	Certified Safety Tester
448.100	Certificates of Safety
448.110	Official Test Procedure
448.120	Forms, Records and Reports
448.130	Supervision and Enforcement
APPENDIX A	Safety Test Procedures and Specifications
EXHIBIT A	Testing Procedures
ILLUSTRATION A	Tires
ILLUSTRATION B	Tire and Steering Wheel Limits
ILLUSTRATION C	Suspension Components
ILLUSTRATION D	Steering Components
ILLUSTRATION E	Air Suspension Components
ILLUSTRATION F	Guide to Lighting Requirements
ILLUSTRATION G	Glazing Chart
ILLUSTRATION H	Glazing Illustrations
APPENDIX B	Trucksters (Cargo Carrying Motorcycles)
APPENDIX C	Buses – Additional Requirements
APPENDIX D	Driver Education Training Cars
APPENDIX E	Requisition for Certificates of Safety and Lane Forms
APPENDIX F	Monthly Vehicle Inspection Station Report
APPENDIX G	Report of Lost or Stolen Safety Certificates
APPENDIX H	Rejected Vehicles

DEPARTMENT OF TRANSPORTATION

NOTICE OF PROPOSED AMENDMENT

APPENDIX I	Defective, Mutilated or Replacement Certificate of Safety Report
APPENDIX J	Vehicle Inspection Report
ILLUSTRATION A	Second Division Vehicle Certificate of Safety
ILLUSTRATION B	Placement of Second Division Vehicle Certificate of Safety on Vehicle
EXHIBIT A	Rebuilt Vehicles
<u>EXHIBIT B</u>	<u>Contract Carriers</u>

AUTHORITY: Implementing and authorized by Sections 12-711 and 12-503 of the Illinois Vehicle Equipment Law [625 ILCS 5/12-711 and 12-503], the Illinois Vehicle Inspection Law [625 ILCS 5/Ch. 13] and Section 6-410 of the Illinois Driver Licensing Law [625 ILCS 5/6-410]. (See P.A. 92-108, effective January 1, 2002.)

SOURCE: Filed December 26, 1976, effective January 1, 1977; codified at 8 Ill. Reg. 19608; amended at 11 Ill. Reg. 4339, effective March 3, 1987; amended at 12 Ill. Reg. 11566, effective June 23, 1988; amended at 13 Ill. Reg. 7973, effective May 15, 1989; amended at 26 Ill. Reg. _____, effective _____.

DEPARTMENT OF TRANSPORTATION

NOTICE OF PROPOSED AMENDMENT

Section 448.EXHIBIT B Contract Carriers

- 19.1 Every owner of a contract carrier transporting employees in the course of their employment on a highway in Illinois in a vehicle designed to carry 15 or fewer passengers shall, before operating the vehicle upon the highways in Illinois, submit it to a safety test and secure a certificate of safety furnished by the Department as set forth in Section 13-109 of the Illinois Vehicle Code. [625 ILCS 5/13-101]
- 19.2 Contract carriers must meet the requirements of Section 448.Appendix A (Safety Test Procedures and Specifications).
- 19.3 If the contract carrier vehicle meets the applicable requirements of this Part, the certified safety tester shall affix a certificate of safety to the windshield of the vehicle as prescribed in 92 Ill. Adm. Code 451.140(o).
- 19.4 First division vehicles (those vehicles designed for the carrying of not more than 10 persons) [625 ILCS 5/1-217] are not required to be equipped with warning devices or splash guards.
- 19.5 Second division vehicles (those vehicles which are designed for carrying more than 10 persons) [625 ILCS 5/1-217] must meet the requirements of Section 448.Appendix C (Buses – Additional Requirements).

(Source: Added at 26 Ill. Reg. _____, effective _____)

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED RULES

- 1) Heading of Part: Mastectomies
- 2) Code Citation: 50 Ill. Adm. Code 2016
- 3)

<u>Sections Numbers</u> :	<u>Adopted Action</u> :
2016.10	New Section
2016.20	New Section
2016.30	New Section
2016.40	New Section
2016.50	New Section
2016.60	New Section
- 4) Statutory Authority: Implementing Section 356g and authorized by Section 401 of the Illinois Insurance Code [215 ILCS 5/356g and 401]
- 5) Effective Date of Rules: August 19, 2002
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? Yes
- 8) A copy of the adopted rules, including any material incorporated by reference, is on file in the Department of Insurance's principal office and is available for public inspection.
- 9) Notice of Proposal Published in Illinois Register: April 5, 2002; 26 Ill. Reg. 5041
- 10) Has JCAR issued a Statement of Objection to this rulemaking? No
- 11) Differences between proposal and final version: There were no substantive changes.
- 12) Have all changes agreed upon by the agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
- 13) Will this rulemaking replace an emergency rulemaking currently in effect? Yes
- 14) Are there any amendments pending on this Part? No
- 15) Summary and Purpose of rulemaking: On February 1, 2002, the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS), notified the Illinois Department of Insurance (DOI) and the Governor that CMS found

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED RULES

Illinois was not substantially enforcing the federal WHCRA law. The federal law contains language that allows states to enforce the requirements as defined by WHCRA if state law requires coverage of at least the coverage of reconstructive breast surgery otherwise required under WHCRA. As such, Illinois enacted P.A. 92-0048, effective July 3, 2001, in order to establish the minimum benefit as required by federal law. CMS, however, finds our statute wanting for reasons explained in their letter of February 1, 2002. This rulemaking implements federal requirements.

- 16) Information and questions regarding this adopted rulemaking shall be directed to:

Bill McAndrew
Department of Insurance
320 West Washington
Springfield, Illinois 62767-0001
(217) 782-4254

The full text of the adopted rules begins on the next page.

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED RULES

TITLE 50: INSURANCE

CHAPTER I: DEPARTMENT OF INSURANCE

SUBCHAPTER Z: ACCIDENT AND HEALTH INSURANCE

PART 2016

MASTECTOMIES

Section

2016.10	Purpose
2016.20	Applicability and Scope
2016.30	Required Coverage for Reconstructive Surgery Following Mastectomies
2016.40	Notice of Coverage
2016.50	Prohibitions
2016.60	Provider Reimbursement

AUTHORITY: Implementing Section 356g and authorized by Section 401 of the Illinois Insurance Code [215 ILCS 5/356g and 401].

SOURCE: Emergency rules adopted at 26 Ill. Reg. 5142, effective March 25, 2002 for a maximum of 150 days; amended at 26 Ill. Reg. 13084, effective Aug 19, 2002.

Section 2016.10 Purpose

To establish minimum benefit standards and guidelines for enforcement related to mastectomy coverage.

Section 2016.20 Applicability and Scope

This Part, incorporating requirements established by the Federal Women's Health and Cancer Rights Act of 1998 (WHCRA) (42 USC 300gg-6, 300gg-52, incorporating 29 USC 1185(b)) shall apply to all individual and group accident and health insurance policies, contracts, or certificates of insurance.

Section 2016.30 Required Coverage for Reconstructive Surgery Following Mastectomies

Every policy, contract, or certificate of group or individual insurance that provides medical and surgical benefits with respect to a mastectomy shall provide, in a case of an insured who is receiving benefits in connection with a mastectomy and who elects breast reconstruction in connection with such mastectomy, coverage in a manner determined in consultation with the attending physician and the patient for:

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED RULES

- a) Reconstruction for the breast on which the mastectomy has been performed;
- b) Surgery and reconstruction of the other breast to produce a symmetrical appearance; and
- c) Prostheses and physical complications for all stages of mastectomy, including lymphedemas.

Such coverage may be subject to annual deductibles and coinsurance provisions as may be deemed appropriate and as are consistent with those established for other benefits under the plan coverage. Written notice of the availability of coverage under this Part shall be delivered to the insured upon enrollment and annually thereafter.

Section 2016.40 Notice of Coverage

An insurer providing health insurance coverage shall provide notice to each insured under the plan regarding the coverage required by this Part. Such notice shall be in writing and prominently positioned in any literature or correspondence made available or distributed by the insurer and shall be transmitted the earlier of:

- a) In the next mailing made by the insurer to the insured;
- b) As part of any yearly informational packet sent to the insured.

Section 2016.50 Prohibitions

An insurer offering individual or group health insurance may not:

- a) Deny to an insured eligibility, or continued eligibility, to enroll or to renew coverage under the terms of the plan solely for the purpose of avoiding the requirements of this Part; or
- b) Penalize or otherwise reduce or limit the reimbursement of an attending provider or provide incentives (monetary or otherwise) to an attending provider to induce the provider to provide care to an insured in a manner inconsistent with this Part.

Section 2016.60 Provider Reimbursement

Nothing in this Section shall be construed to prevent an insurer from negotiating the level and type of reimbursement with a provider for care provided in accordance with this Part.

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENT

- 1) Heading of the Part: Health Maintenance Organization
- 2) Code Citation: 50 Ill. Adm. Code 5421
- 3) Section Number: 5421.132 Adopted Action:
New Section
- 4) Statutory Authority: Implementing and authorized by Sections 4-6.1, 4-17, 5-2 and 5-7 of the Health Maintenance Organization Act [215 ILCS 125/4-6.1, 4-17, 5-2 and 5-7].
- 5) Effective Date of Amendment: August 19, 2002
- 6) Does this amendment contain an automatic repeal date? No
- 7) Does this amendment contain incorporations by reference? Yes
- 8) A copy of the adopted amendment, including any material incorporated by reference, is on file in the Department of Insurance's principal office and is available for public inspection.
- 9) Notice of Proposal Published in Illinois Register:
April 5, 2002; 26 Ill. Reg. 5044
- 10) Has JCAR issued a Statement of Objection to this amendment? No
- 11) Differences between proposal and final version: Section 5421.132(a) - On the fourth line, deleted the comma.
- 12) Have all changes agreed upon by the agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
- 13) Will this amendment replace an emergency rulemaking currently in effect? Yes
- 14) Are there any amendments pending on this Part? No
- 15) Summary and Purpose of Rulemaking: On February 1, 2002, the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS), notified the Illinois Department of Insurance (DOI) and the Governor that CMS found

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENT

Illinois was not substantially enforcing the federal WHCRA law. The federal law contains language that allows states to enforce the requirements as defined by WHCRA if state law requires coverage of at least the coverage of reconstructive breast surgery otherwise required under WHCRA. As such, Illinois enacted P.A. 92-0048, effective July 3, 2001, in order to establish the minimum benefit as required by federal law. CMS, however, finds our statute wanting for reasons explained in their letter of February 1, 2002. This rulemaking implements federal requirements.

- 16) Information and questions regarding this adopted amendment shall be directed to:

Bill McAndrew
Department of Insurance
320 West Washington
Springfield, Illinois 62767-0001
(217) 782-4254

The full text of the adopted amendment begins on the next page.

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENT
TITLE 50: INSURANCE
CHAPTER I: DEPARTMENT OF INSURANCE
SUBCHAPTER kkk: HEALTH SERVICE PLANSPART 5421
HEALTH MAINTENANCE ORGANIZATION

Section	
5421.10	Scope
5421.20	Definitions
5421.30	Valuation of Investments
5421.40	Grievance Procedure
5421.50	Contracts, Administrative Arrangements and Material Modifications
5421.60	Rates
5421.70	Subordinated Indebtedness
5421.80	Financial Reporting
5421.90	Conflict of Interest and Required Disclosure
5421.100	Solicitation
5421.110	Requirements for Group Contracts, Evidences of Coverage and Individual Contracts
5421.111	Cancellation
5421.112	Form Filing Requirements
5421.113	Point of Service Plan Requirements
5421.120	Internal Security Standards and Fidelity Bonds
5421.130	Basic Health Care Services
5421.131	Basic Outpatient Preventive and Primary Health Care Services for Children
5421.132	<u>Required Coverage for Reconstructive Surgery Following Mastectomies</u>
5421.140	General Provisions
5421.141	HMO Producer Licensing Requirements
5421.142	Limited Insurance Representative Requirements - Public Aid and Medicare Enrollers
5421.150	Severability
5421.160	Effective Date (Repealed)

AUTHORITY: Implementing and authorized by Sections 4-6.1, 4-17, 5-2 and 5-7 of the Health Maintenance Organization Act [215 ILCS 125/4-6.1, 4-17, 5-2 and 5-7].

SOURCE: Filed June 16, 1976, effective July 1, 1976; codified at 7 Ill. Reg. 3016; amended at 15 Ill. Reg. 199, effective December 28, 1990; amended at 20 Ill. Reg. 10639, effective July 25, 1996; recodified at 21 Ill. Reg. 1729; emergency amendment at 21 Ill. Reg. 15262, effective November 18, 1997, for a maximum of 150 days; amended at 22 Ill. Reg. 6671, effective March 31, 1998; amended at 23 Ill. Reg. 5690, effective May 3, 1999; emergency amendment at 26 Ill.

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENT

Reg. 5146, effective March 25, 2002, for a maximum of 150 days; ; amended at 26 Ill. Reg. 13088, effective Aug 19, 2002.

Section 5421.132 Required Coverage for Reconstructive Surgery Following Mastectomies

- a) As required by the Federal Women's Health and Cancer Rights Act of 1998 (WHCRA) (42 USC 300gg-6, 300gg-52, incorporating 29 USC 1185(b)), every individual and group contract or evidence of coverage issued by a health maintenance organization that provides medical and surgical benefits with respect to a mastectomy shall provide, in a case of an enrollee who is receiving benefits in connection with a mastectomy and who elects breast reconstruction in connection with such mastectomy, coverage in a manner determined in consultation with the attending physician and the patient for:
 - 1) Reconstruction for the breast on which the mastectomy has been performed;
 - 2) Surgery and reconstruction of the other breast to produce a symmetrical appearance; and
 - 3) Prostheses and physical complications for all stages of mastectomy, including lymphedemas.
- b) Such coverage may be subject to annual deductibles and coinsurance provisions as may be deemed appropriate and as are consistent with those established for other benefits under the plan coverage. Written notice of the availability of coverage under this Part shall be delivered to the enrollee upon enrollment and annually thereafter.
- c) A health maintenance organization operating a health care plan shall provide notice to each enrollee under such plan regarding the coverage required by this Part. Such notice shall be in writing and prominently positioned in any literature or correspondence made available or distributed by the health maintenance organization and shall be transmitted the earlier of:
 - 1) In the next mailing made by the health maintenance organization to the enrollee;
 - 2) As part of any yearly informational packet sent to the enrollee.
- d) A health maintenance organization offering individual or group health insurance may not:
 - 1) Deny to an enrollee eligibility, or continued eligibility, to enroll or to renew coverage under the terms of the plan solely for the purpose of avoiding the requirements of this Part; or
 - 2) Penalize or otherwise reduce or limit the reimbursement of an attending provider or provide incentives (monetary or otherwise) to an attending provider to induce the provider to provide care to an enrollee in a manner inconsistent with this Part.
- e) Nothing in this Section shall be construed to prevent a health maintenance organization from negotiating the level and type of reimbursement with a provider

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENT
for care provided in accordance with this Part.

(Source: Added at 26 Ill. Reg. 13088, effective Aug 19, 2002)

DEPARTMENT OF AGRICULTURE

NOTICE OF EMERGENCY AMENDMENT

- 1) Heading of the Part: Illinois Pesticide Act
- 2) Code Citation: 8 Ill. Adm. Code 250
- 3) Section Number: Emergency Action:
250.210 Add
- 4) Statutory Authority: Illinois Pesticide Act [415 ILCS 60]
- 5) Effective Date of Amendment: August 14, 2002
- 6) If this emergency amendment is to expire before the end of the 150-day period, please specify the date on which it is to expire: October 30, 2002
- 7) Date Filed with the Index Department: August 14, 2002
- 8) A copy of the emergency amendment, including any material incorporated by reference, is on file in the agency's principal office and is available for public inspection.
- 9) Reason for Emergency: The West Nile Virus has been detected within the borders of the State of Illinois and poses a significant threat to the health and welfare of its citizens. Mosquitoes carry and spread the virus. Thus, it is in the best interest of the citizens of the State to ensure that timely and effective mosquito abatement actions can occur through an expedited pesticide application training and licensure process.
- 10) A Complete Description of the Subjects and Issues Involved: The application of three specific products for the abatement of mosquito larva would be allowed through an expedited training process. The current testing and licensing program would be waived in favor of a targeted training program provided by currently licensed applicators. Only the use of three specifically identified products would be allowed under the expedited process.
- 11) Are there any proposed amendments to this Part pending? No
- 12) Statement of Statewide Policy Objectives: This emergency amendment does not affect units of local governments.
- 13) Information and questions regarding this amendment shall be directed to:

Linda Rhodes

DEPARTMENT OF AGRICULTURE

NOTICE OF EMERGENCY AMENDMENT

Illinois Department of Agriculture
State Fairgrounds, P.O. Box 19281
Springfield, Illinois 62794-9281
Telephone: 217/785-5713
Facsimile: 217/785-4505

The full text of the emergency amendment begins on the next page:

DEPARTMENT OF AGRICULTURE

NOTICE OF EMERGENCY AMENDMENT

TITLE 8: AGRICULTURE AND ANIMALS
CHAPTER I: DEPARTMENT OF AGRICULTURE
SUBCHAPTER i: PESTICIDE CONTROLPART 250
ILLINOIS PESTICIDE ACT

Section

250.10	Definitions
250.20	Registration of Pesticide Dealers Selling Restricted Use Pesticides
250.30	Registration of Pesticides
250.40	Registration of Experimental Use Pesticides
250.50	Registration of Special Local Need Pesticides
250.60	Emergency Exemption Registration
250.70	Method of Becoming Certified Applicators
250.80	Private Pesticide Applicators: Certification, Licensing, Testing and Training
250.90	Commercial Applicator, Commercial Not For Hire Applicator and Public Applicator: Certification, Testing and Licensing
250.100	Licensed Operator (Commercial Operator, Commercial Not For Hire Operator and Public Operator): Testing and Licensing
250.110	General Competency Standards to be Covered on the Tests
250.120	Technical Category Areas of Pesticide Use
250.130	Surety Bond or Liability Insurance
250.140	Interagency Committee on Pesticides
250.150	Record Keeping
250.160	Permits
250.170	Administrative Hearings
250.180	Administrative Penalties
250.190	Formulation Violations of the Label Claim
250.200	Reporting of Pesticide Incidents or Misuse Complaints
<u>250.210</u>	<u>Emergency Application of Mosquito Briquets</u>
<u>EMERGENCY</u>	

AUTHORITY: Implementing and authorized by the Illinois Pesticide Act [415 ILCS 60].

SOURCE: Adopted at 5 Ill. Reg. 732, effective January 6, 1981; codified at 5 Ill. Reg. 10527; amended at 6 Ill. Reg. 3071, effective March 8, 1982; amended at 8 Ill. Reg. 855, effective January 5, 1984; amended at 8 Ill. Reg. 16407, effective August 29, 1984; amended at 10 Ill. Reg. 7663, effective April 28, 1986; amended at 12 Ill. Reg. 12784, effective July 26, 1988;

DEPARTMENT OF AGRICULTURE

NOTICE OF EMERGENCY AMENDMENT

amended at 24 Ill. Reg. 7191, effective April 27, 2000. ; emergency amendment at 26 Ill. Reg. 13093, effective August 14, 2002, for a maximum of 150 days.

Section 250.210 Emergency Application of Mosquito Briquets**EMERGENCY**

- a) Any person who receives training from an individual possessing a current category 8 Public Health Pest Control applicator license issued by the Department of Agriculture may apply the following products for the control of mosquitoes without further compliance with the licensing provisions of this Part:
 - 1) Summit B.T.I. Briquets (USEPA Registration # 6218-47);
 - 2) Zoecon Altosid Briquets (USEPA Registration # 2724-375); and
 - 3) Zoecon Altosid XR Extended Residual Briquets (USEPA Registration # 2724-421).
- b) The training shall be not less than one hour in duration and shall include a review of the product labels, use restrictions, application rates, application methods and any other information deemed appropriate by the trainer for the safe and effective use of the mosquito control materials identified in subsection (a) of this Section.
- c) Upon completion of the training, the trainer shall immediately provide to the Department a complete list of all persons, including name, address, telephone number, birth date, and employer, for all individuals who received the training and are thus eligible to apply the mosquito control materials as set forth in this Section.
- d) The trainer shall also provide to the Department the date and location of the training, the trainer's name, address, telephone number, pesticide applicator license number, and pesticide applicator license expiration date.
- e) For the purpose of this Section, a person shall mean any individual over 18 years of age.

(Source: Amended by emergency rulemaking at 26 Ill. Reg. 13093, effective August 14, 2002, for a maximum of 150 days)

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLY

SECOND NOTICES RECEIVED

The following second notices were received by the Joint Committee on Administrative Rules during the period of August 13, 2002 through August 19, 2002 and have been scheduled for review by the Committee at its September 10, 2002 meeting in Chicago. Other items not contained in this published list may also be considered. Members of the public wishing to express their views with respect to a rulemaking should submit written comments to the Committee at the following address: Joint Committee on Administrative Rules, 700 Stratton Bldg., Springfield IL 62706.

<u>Second Notice Expires</u>	<u>Agency and Rule</u>	<u>Start Of First Notice</u>	<u>JCAR Meeting</u>
9/25/02	<u>Department of Central Management Services,</u> Pay Plan (80 Ill. Adm. Code 310)	5/10/02 26 Ill. Reg. 6897	9/10/02
9/25/02	<u>Department of Central Management Services,</u> Pay Plan (80 Ill. Adm. Code 310)	5/31/02 26 Ill. Reg. 7790	9/10/02
9/25/02	<u>Department of Insurance,</u> Life Insurance and Annuity Replacement Regulation (50 Ill. Adm. Code 917)	4/19/02 26 Ill. Reg. 5531	9/10/02
9/25/02	<u>Department of Insurance,</u> Advertising and Sales Promotion of Life Insurance and Annuities (50 Ill. Adm. Code 909)	4/19/02 26 Ill. Reg. 5527	9/10/02
9/25/02	<u>Department of Insurance,</u> Insurance Producers Doing Business Under an Assumed Name or Firm Name (50 Ill. Adm. Code 3109)	4/19/02 26 Ill. Reg. 5540	9/10/02
9/25/02	<u>Department of Insurance,</u> Premium Fund Trust Account (50 Ill. Adm. Code 3113)	4/19/02 26 Ill. Reg. 5544	9/10/02

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLY

SECOND NOTICES RECEIVED

9/25/02	<u>Department of Insurance, Pre-Licensing and Continuing Education (50 Ill. Adm. Code 3119)</u>	4/19/02 26 Ill. Reg. 5548	9/10/02
9/25/02	<u>Department of Veterans' Affairs, Admission to and Discharge from Illinois Veterans Homes (95 Ill. Adm. Code 107)</u>	6/14/02 26 Ill. Reg. 8516	9/10/02
10/2/02	<u>Environmental Protection Agency, Regulatory Innovation Projects (35 Ill. Adm. Code 187)</u>	4/12/02 26 Ill. Reg. 5295	9/10/02

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLY

STATEMENT OF RECOMMENDATION
TO PROPOSED RULEMAKING

ILLINOIS LIQUOR CONTROL COMMISSION

Heading of the Part: Illinois Liquor Control Commission

Code Citation: 11 Ill. Adm. Code 100

Section Numbers: 100.410

Date Originally Published in the Illinois Register: 5/24/02
26 Ill. Reg. 7531

At its meeting on August 13, 2002, the Joint Committee on Administrative Rules considered the above cited rulemaking and recommends that the Liquor Control Commission withdraw its rulemaking titled The Illinois Liquor Control Commission (11 Ill. Adm. Code 100; 26 Ill. Reg. 7531) to effectuate an agreement among the Commission, the affected businesses, and the Illinois State Bar Association.

The agency should respond to this Recommendation in writing within 90 days after receipt of this Statement. Failure to respond will constitute refusal to accede to the Committee's Recommendation. The agency's response will be placed on the JCAR agenda for further consideration.

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLY

STATEMENT OF RECOMMENDATION
TO EMERGENCY RULEMAKING

OFFICE OF BANKS AND REAL ESTATE

Heading of the Part: Real Estate Appraiser Certification

Code Citation: 68 Ill. Adm. Code 1455

<u>Section Numbers:</u>	1455.10	1455.100	1455.110	1455.120	
		1455.130	1455.140	1455.150	1455.160
		1455.170	1455.180	1455.190	1455.200
		1455.210	1455.220	1455.230	1455.240
		1455.250	1455.260	1455.270	1455.280
		1455.290	1455.300	1455.310	1455.320
		1455.330	1455.340	1455.350	1455.360
		1455.370	1455.380	1455.390	1455.400
		1455.410	1455.420	1455.430	1455.440
		1455.450	1455.460	1455.470	1455.480
		1455.490			
		1455.APPENDIX A			
		1455.APPENDIX B			

Date Originally Published in the Illinois Register: 7/12/02
26 Ill. Reg. 10844

At its meeting on August 13, 2002, the Joint Committee on Administrative Rules considered the above cited emergency rulemaking and recommends that OBRE be more timely in implementing new statute to avoid unnecessary use of emergency rulemaking.

The agency should respond to this Recommendation in writing within 90 days after receipt of this Statement. Failure to respond will constitute refusal to accede to the Committee's Recommendation. The agency's response will be placed on the JCAR agenda for further consideration.

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLYSTATEMENT OF OBJECTION
TO PROPOSED RULEMAKING

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

Heading of the Part: Travel

Code Citation: 80 Ill. Adm. Code 2800

Section Numbers: 2800.APPENDIX A

Date Originally Published in the Illinois Register: 4/12/02
26 Ill. Reg. 5264

At its meeting on August 13, 2002, the Joint Committee on Administrative Rules objected to the above cited rulemaking because the proposed regulations appear to be a deliberate attempt to make it as difficult as possible for the public to ascertain the rate at which State employees will be reimbursed for travel to the Washington, D.C. area. The agency is replacing the current specific dollar amount of reimbursement or CFR citation with a cross-reference to an Administrative Code Section that merely cross-references an Illinois statute that cross-references a federal statute that authorizes a federal regulation establishing the actual rate. CMS was asked to cut 3 side trips out of this 5 step research project by directly cross-referencing the federal regulation that sets the rate, but has refused to do so.

Failure of the agency to respond within 90 days after receipt of the Statement of Objection shall constitute withdrawal of this proposed rulemaking. The agency's response will be placed on the JCAR agenda for further consideration.

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLY

STATEMENT OF OBJECTION
TO PROPOSED RULEMAKING

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

Heading of the Part: The Travel Regulation Council

Code Citation: 80 Ill. Adm. Code 3000

Section Numbers: 3000.400
3000.APPENDIX A

Date Originally Published in the Illinois Register: 4/12/02
26 Ill. Reg. 5270

At its meeting on August 13, 2002, the Joint Committee on Administrative Rules objected to the above cited rulemaking because the proposed regulations appear to be a deliberate attempt to make it as difficult as possible for the public to ascertain the rate at which State employees will be reimbursed for travel to the Washington, D.C. area. The agency is replacing the current specific dollar amount of reimbursement or CFR citation with a cross-reference to an Administrative Code Section that merely cross-references an Illinois statute that cross-references a federal statute that authorizes a federal regulation establishing the actual rate. CMS was asked to cut 3 side trips out of this 5 step_research project by directly cross-referencing the federal regulation that sets the rate, but has refused to do so.

Failure of the agency to respond within 90 days after receipt of the Statement of Objection shall constitute withdrawal of this proposed rulemaking. The agency's response will be placed on the JCAR agenda for further consideration.

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLYSTATEMENT OF RECOMMENDATION
TO PROPOSED RULEMAKING

ILLINOIS COMMERCE COMMISSION

Heading of the Part: Digital Divide Elimination Infrastructure Fund

Code Citation: 83 Ill. Adm. Code 759

Section Numbers: 759.110 759.120
759.210 759.220
759.230 759.310
759.320 759.330
759.340

Date Originally Published in the Illinois Register: 3/29/02
26 Ill.Reg. 4535

At its meeting on August 13, 2002, the Joint Committee on Administrative Rules considered the above cited rulemaking and recommended that ICC not implement this grant procedure until rules implementing 220 ILCS 5/13-517(b) have been adopted.

The agency should respond to this Recommendation in writing within 90 days after receipt of this Statement. Failure to respond will constitute refusal to accede to the Committee's Recommendation. The agency's response will be placed on the JCAR agenda for further consideration.

PROCLAMATIONS**2002-434****September 28, 2002, as Public Lands Day**

WHEREAS, Illinois' system of public lands includes parks, unique landscapes, forests, wildlife refuges, historic trails, natural streams and wetlands, nature centers, gardens and other landmark areas that individually and collectively represent irreplaceable national resources; and

WHEREAS, public lands provide locally accessible natural and cultural resources for environmental learning, wildlife appreciation and recreation; and

WHEREAS, public lands promote civic ideals that include shared stewardship and recognition of public ownership; and

WHEREAS, shared stewardship requires the good will, cooperation and active support of citizens, community, city, and state officials, business leaders, children and adults; and

WHEREAS, the Civilian Conservation Corps gave our nation a magnificent legacy of stewardship of our treasured natural resources that is being passed to younger generations; and

WHEREAS, land conservation builds awareness among urban dwellers with concerns about planned development, shared land use, preservation of wild areas and natural habitats, and the benefits realized by diligent restoration and enhancement efforts; and

WHEREAS, an alliance between private citizens, land managers and community leaders improves the condition of publicly held lands for the greater enjoyment and enrichment of all Americans;

THEREFORE, I, George H. Ryan, Governor of the State of Illinois, proclaim September 28, 2002, as PUBLIC LANDS DAY in Illinois.

Issued by the Governor August 13, 2002

Filed by the Secretary of State August 16, 2002

2002-435**September 2002 as Food Safety Awareness Month**

WHEREAS, the United States has one of the safest food supplies in the world; and

WHEREAS, safe food handling by employees is emphasized on a continual basis in the retail sector at a tremendous cost to the retailer; and

WHEREAS, such training has gone on for decades; and

WHEREAS, retailers have been at the cutting edge of the development of safe food handling procedures; and

WHEREAS, despite the constant training and evolution of safe food handling procedures, as many as 5,000 deaths and 76 million cases of food-borne illnesses occur each year in the U.S.; and

WHEREAS, 250,000 food-borne illnesses occur in Illinois each year; and

WHEREAS, the vast majority of these food-borne illnesses occur in the home and might be avoided with appropriate consumer education; and

WHEREAS, the retail sector in Illinois continues to work with the appropriate state and local

PROCLAMATIONS

health agencies to better educate consumers on good food safety procedures, as well as develop even better food handling procedures; and

WHEREAS, September has been designated as National Food Safety Awareness Month; and

WHEREAS, the citizens of Illinois are encouraged to join the Illinois Retail Merchants Association and their members, the Illinois Food Retailers Association and their members, the Illinois Department of Public Health and Illinois' local health departments, the Illinois Department of Agriculture, the Illinois Press Association and their members, the Illinois Association of Convenience Stores and their members and the Illinois Restaurant Association and their members in recognizing September 2002 as Food Safety Awareness Month in Illinois;

THEREFORE, I, George H. Ryan, Governor of the State of Illinois proclaim September 2002 as FOOD SAFETY AWARENESS MONTH in Illinois.

Issued by the Governor August 13, 2002

Filed by the Secretary of State August 16, 2002

2002-436

August 15, 2002, as Alison Bair Day

WHEREAS, ALISON L. BAIR was born on May 24, 1977, in Quincy, Illinois, and spent her formative years forming an attachment to outdoor activities; especially swimming and diving; and

WHEREAS, ALISON BAIR, by the time she was 18, was well prepared for college life via a peculiar Bair Family ritual known as the "Gin Bucket;" and

WHEREAS, ALISON BAIR so excelled at the fine art of using the Gin Bucket " as well as various assorted mixers and fermented hops and grains " that her college career became a gypsy caravan of learning that started in Quincy, weaving through Eureka and ending in Macomb at the world's largest community college, Western Illinois University; and

WHEREAS, ALISON BAIR, while at WIU, gave new meaning to the phrase, "I've got your leatherneck right here;" and graduated with a degree in criminal justice in 2000; and

WHEREAS, ALISON BAIR postponed a promising career as a state prison guard at the Tamms Correctional Center to enter the Dunn Fellowship program in the Governor's Office, where she made many new lifelong friends and redefined the phrase, "Oh yes, I'm DUNN with your FELLOW;" and

WHEREAS, ALISON BAIR shacked up with Rachel, flew primarily with a wingman code-named "Hair" and tried mightily to steer her little sister Tiffany away from the evils of the curse of the "Gin Bucket" (to no avail); and

WHEREAS, ALISON BAIR finally discovered true happiness in the Governor's Office by rescuing a down-on-his-luck-washed-up-ballplayer-turned-college mascot-turned-political hack-turned-bagboy-turned-pimp for the Medical Society who used to use the unbelievably classy pick-up line, "wanna see my six-foot Willie?" and

WHEREAS, ALISON BAIR will marry the aforementioned James Jacobsohn in 2003, after

PROCLAMATIONS

first leaving the safety of Central Illinois and the Governor's office for the wasteland of outer state government; the evils of the City of Chicago and the shark pit of law school to share her life with a schlep from Jersey; and

WHEREAS, ALISON BAIR'S contributions, energy, intelligence, cheerful disposition, quick wit and other attributes made government work better and brightened the day for many of her co-workers, including Ray, Susan, Dan, Marie " and especially Steve " and she will be missed;

THEREFORE, I, GEORGE H. RYAN, Governor of the State of Illinois proclaim August 15, 2002, as ALISON BAIR DAY in Illinois and encourage all who meet her to remind her exactly who is she is planning to "love, honor and OBEY."

Issued by the Governor August 13, 2002

Filed by the Secretary of State August 16,2002

2002-437**September 11, 2002, as International Brotherhood of Electrical Workers Local 309 Day**

WHEREAS, the International Brotherhood of Electrical Workers Local 309 is celebrating its centennial from September 11-28, 2002; and

WHEREAS, September 11 marks 100 years of Pride for Local 309 and its members who have been leaders in producing the most highly trained and skilled journeymen in the country; and

WHEREAS, for 100 years Local 309 has helped build and shape the Metro-east area as well as the surrounding counties of Southern Illinois with its expertise and craftsmanship; and

WHEREAS, Local 309 is prepared to continue being a leader in the electrical industry with advancements in training, organizing, market recovery, and service to its members;

THEREFORE, I, George H. Ryan, Governor of the State of Illinois, proclaim September 11, 2002, as INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL 309 DAY in Illinois.

Issued by the Governor August 14, 2002

Filed by the Secretary of State August 16,2002

2002-438**September 2002 as College Savings Month**

WHEREAS, as Illinois prepares to compete in the global economy of the 21st century, our citizens recognize the challenges ahead and accept the responsibility of providing their children with the education and skills that will enable them to compete successfully as individuals and as a state; and

WHEREAS, since 1980, the constantly rising cost of higher education has out-paced inflation, the rate of increase in public assistance to students and the growth in family income, posing a

PROCLAMATIONS

serious threat to the ability of our citizens to ensure their children's access to postsecondary education; and

WHEREAS, since 1992, the annual amount of student loan debt has risen from \$15 billion to \$35 billion, leaving college graduates with the ever-increasing burden of paying for their college education long after they have completed their education; and

WHEREAS, it is in the state's interest that access to postsecondary education for our children be maintained and that encouraging parents to save for their children's education promotes that public purpose; and

WHEREAS, government, at both the federal and state levels, needs to encourage savings versus borrowing and assisting rather than hindering parents, grandparents, friends and businesses, as they seek to support the education of children, grandchildren and others in need of help to meet their higher education goals; and

WHEREAS, the State of Illinois provides two section 529 Qualified Tuition Plans through duly enacted laws passed by the state's legislature (Bright Start and College Illinois!); and

WHEREAS, many states have offered state tax incentives as deductions and/or exemptions for their citizens as a recognition of the value of higher education opportunity;

THEREFORE, I, George H. Ryan, Governor of the State of Illinois, proclaim September 2002 as COLLEGE SAVINGS MONTH in Illinois.

Issued by the Governor August 14, 2002

Filed by the Secretary of State August 16, 2002

2002-439**October 7-13, 2002, as Financial Planning Week**

WHEREAS, the financial planning process allows individuals to achieve their dreams by empowering them to identify and manage realistic financial goals and negotiate the financial barriers that arise at every stage of life; and

WHEREAS, everyone can benefit from knowing the value of financial planning and where to turn for objective financial advice; and

WHEREAS, the Financial Planning Association is the membership organization for the financial planning community, representing 28,000 members dedicated to supporting the financial planning process as a way to help individuals achieve their goals and dreams; and

WHEREAS, the Financial Planning Association believes that individuals need objective financial planning advice from a Certified Financial Planner professional to improve their quality of life; and

WHEREAS, the Financial Planning Association is dedicated to helping individuals discover the value of financial planning;

THEREFORE, I, George H. Ryan, Governor of the State of Illinois, proclaim October 7-13, 2002, as FINANCIAL PLANNING WEEK in Illinois.

PROCLAMATIONS

Issued by the Governor August 14, 2002
Filed by the Secretary of State August 16, 2002

2002-440**August 7, 2002, as Assyrian Martyr's Day**

WHEREAS, the Assyrian-American community of Illinois is commemorating the 69th Anniversary of the Assyrian Genocide; and

WHEREAS, the loss of over 750,000 Assyrians and the forced deportation of countless others during the early 20th Century is recognized each year; and

WHEREAS, Joseph Tamraz, the Midwest Regional Director of the Assyrian American National Federation, has announced that the Federation has several commemorative events to mark this Assyrian Martyrs Day; and

WHEREAS, a special tribute by the Assyrian Martyrs Monument at Montrose Cemetery, the Assyrian Martyrs Day Commemoration program at the Assyrian Social Club, Wednesday August 7, 2002, and drama "Semelle Genocide" will be played on Sunday August 11, 2002, at Auditorium of Northside College Preparatory High School; and

WHEREAS, Assyrians continue to be a people of faith and pride working side-by-side for the future of the Assyrian community; and

WHEREAS, Assyrian-Americans have been forthright in their efforts to preserve their culture, heritage, and language; and

WHEREAS, the Assyrian-American community has made significant contributions in all areas of life including education, medicine, science, business, arts, government, and public service in Illinois;

THEREFORE, I, George H. Ryan, Governor of the State of Illinois, proclaim August 7, 2002, as ASSYRIAN MARTYR'S DAY in Illinois.

Issued by the Governor August 12, 2002
Filed by the Secretary of State August 16, 2002

2002-441**Randale R. Valenti**

WHEREAS, it is fitting for all citizens to join in this celebration of public service and recognize the dedication that contributes immeasurably to our communities; and

WHEREAS, America cannot solve societal problems without dedicated citizens; and

WHEREAS, positive involvement in state government is needed more today than ever to combat growing human and societal problems; and

WHEREAS, Randale R. Valenti began his dedication to public service in 1968, as a devoted caseworker in the Garfield Local Office; and

WHEREAS, under Randale R. Valenti's leadership, Illinois developed one of the most

PROCLAMATIONS

comprehensive efforts to address the needs of immigrants, including the nation's first state-funded citizenship program, a comprehensive interpretation program, and bilingual support for needy; and

WHEREAS, Randale R. Valenti dedicated himself to meeting the needs of impoverished people seeking food assistance through the Emergency Food Program. Over the past five years, Randale's leadership has helped to distribute more than 74 million pounds of food to hungry children, families and single persons in Illinois; and

WHEREAS, Randale R. Valenti's commitment to housing and homeless prevention led to the establishment of the Homeless Prevention and Supportive Housing programs which enable thousands of people to have a place to call home; and

WHEREAS, Randale R. Valenti became Associate Director, Office of Child Care and Family Services in the newly established Illinois Department of Human Services in 1997. Under Randale's guidance, the Child Care program implemented the GREAT START program which addresses the staffing crisis of child care programs in Illinois; and

WHEREAS, Randale R. Valenti was instrumental in shaping this Administration's commitment to children and families and the creation of Illinois Preschool; and

WHEREAS, Randale R. Valenti has dedicated 35 years of service to the State of Illinois by assisting children and families to achieve self-sufficiency, independence and provide them with the tools to improve the quality of their lives; and

WHEREAS, Randale R. Valenti plans to spend his time accumulating additional 1st prize citations for his extraordinary apple pie at the Illinois State Fair and Fairs nationally; and

WHEREAS, during his retirement, Randale will have ample time to continue his passion for raising and showing Irish Wolf Hounds;

THEREFORE, I, George H. Ryan, Governor of the State of Illinois, recognize and congratulate Randale on his 35 years of exemplary service and many accomplishments on behalf of the citizens of Illinois.

Issued by the Governor August 12, 2002

Filed by the Secretary of State August 16, 2002

2002-442

August 15, 2002, as Niranjan S. Shah Day

WHEREAS, Niranjan S. Shah, Co-Founder and Chairman of Globetrotters Engineering, originally from Gujarat, India, is not only committed to public service and community service in Illinois, but also to USA - India relations for over 20 years; and

WHEREAS, Niranjan S. Shah assists foreign exchange university students and has served on Educational Boards including University of Chicago's Visiting Committee on University-School Relations, Laboratory Schools of the University of Chicago and the Illinois Board of Regents, the governing board for three state universities; and

WHEREAS, President Clinton appointed Niranjan S. Shah to the Barry Goldwater Scholarship and Excellence in Education Foundation; and

PROCLAMATIONS

WHEREAS, Senator Paul Simon appointed Niranjan S. Shah as Vice Chairman of his Asian American Advisory Committee; and

WHEREAS, Governor Jim Edgar appointed Niranjan S. Shah to his Transition Team and to serve on the Transportation and Capital Construction Committee; and

WHEREAS, Governor George H. Ryan appointed Niranjan S. Shah to his Transition Team and to serve on the Northeastern Illinois University Board; and

WHEREAS, Mayor Richard Daley appointed Niranjan S. Shah as Vice Chair of Chicago Delhi Sister Cities Program and to the Economic Development Commission of Chicago; and

WHEREAS, Niranjan S. Shah has coordinated local Asian community affairs such as Chicago's Annual India Independence Day Parade, is the Past President of the Federation of Indian Associations and coordinated relief efforts for victims of the Gujarat Earthquake; and

WHEREAS, Niranjan S. Shah is the recipient of numerous awards including "Citizen Engineer of the Year," by the Illinois Section of the American Society of Civil Engineers; International Award from Vishwa Gurjari in Gujarat, India; Man of the Year Award, News India Times; Man of the Year Award, Federation of India Associations; Chicago and Indian Ambassador Award, Indian Reporter & World Report Newspaper;

THEREFORE, I, George H. Ryan, Governor of the State of Illinois, proclaim August 15, 2002, as NIRANJAN S. SHAH DAY in Illinois.

Issued by the Governor August 12, 2002

Filed by the Secretary of State August 16, 2002

PROCLAMATIONS**2002-443****September 17, 2002, as Constitution Day**

WHEREAS, September 17, 2002, marks the 215th anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention; and

WHEREAS, our Founding Fathers ordained and established the Constitution of the United States of America to secure the blessings of liberty for themselves and their posterity; and

WHEREAS, it is commendable to honor their staunch courage and wise counsel by studying the Constitution, knowing our rights, and fulfilling our responsibilities entitled to us by the American Colonists who sacrificed and died to establish the freedoms guaranteed to us all by this great document; and

WHEREAS, it is fitting and proper to accord official recognition to this magnificent document and its memorable anniversary, and to the patriotic celebrations which will commemorate the occasion;

THEREFORE, I, George H. Ryan, Governor of the State of Illinois, proclaim September 17, 2002, as CONSTITUTION DAY in Illinois and ask our citizens to reaffirm the ideas the framers of the Constitution had in 1787 by vigilantly protecting the freedoms guaranteed to us through this guardian of our liberties, remembering that lost rights may never be regained.

Issued by the Governor August 17, 2002

Filed by the Secretary of State August 19, 2002

2002-444**August 19-24, 2002, as Outstanding Young Farmers Week**

WHEREAS, the agricultural industry, and farming in particular, is a critical component of the economy and culture of Illinois; and

WHEREAS, the Outstanding Young Farmer award honors one outstanding young farmer between the ages of 21-40 for the entire State of Illinois; and

WHEREAS, the Outstanding Young Farmer Program attempts to foster better urban-rural relations by creating a greater public interest in, and understanding of, today's farmers and their challenges; and

WHEREAS, the Outstanding Young Farmer Program has recognized farmers for their outstanding achievements for more than 40 years; and

WHEREAS, winners of the Illinois Outstanding Young Farmers award are honored with the opportunity to represent our great state in the National Outstanding Young Farmers Awards;

THEREFORE, I, George H. Ryan, Governor of the State of Illinois, proclaim August 19-24, 2002, as OUTSTANDING YOUNG FARMERS WEEK in Illinois.

Issued by the Governor August 19, 2002

Filed by the Secretary of State August 19, 2002

PROCLAMATIONS

ILLINOIS ADMINISTRATIVE CODE

Issue Index

Rules acted upon in Volume 26, Issue 35 are listed in the Issues Index by Title number, Part number, Volume and Issue. Inquires about the Issue Index may be directed to the Administrative Code Division at (217) 782-7017/18.

PROPOSED RULES

83 - 285 Repeal.....	12867
83 - 285	12917
83 - 286	13015
83 - 287	13021
89 - 140	13026
89 - 148	13046
92 - 448	13078

ADOPTED RULES

50 - 2016	13084
50 - 5421	13088

EMERGENCY RULES

8 - 250	13093
---------------	-------

JOINT COMMITTEE ON ADMINISTRATIVE RULES

80 - 310	13097
80 - 310	13097
50 - 917	13097
50 - 909	13097
50 - 3109	13097
35 - 187	13097
50 - 3113	13097
50 - 3119	13097
95 - 107	13097

JCAR REVIEW OF EXISTING RULES STATEMENT OF OBJECTIONS AND RECOMMENDATIONS

11 - 100 Recommendation.....	13099
68 - 1455 Recommendation.....	13100
80 - 2800 Objection.....	13101
80 - 3000 Objection.....	13102
83 - 759 Recommendation.....	13103

EXECUTIVE ORDERS AND PROCLAMATIONS

02 - 435	13104
02 - 434	13104
02 - 436	13105
02 - 438	13106
02 - 437	13106
02 - 439	13107
02 - 440	13108
02 - 441	13108
02 - 442	13109
02 - 443	13111
02 - 444	13111

Order Form

<input type="checkbox"/> Subscription to the Illinois Register (52 issues) <input type="checkbox"/> New <input type="checkbox"/> Renewal	\$290.00 (annually)
<input type="checkbox"/> Subscription to the Administrative Code on CD-ROM (2 updates) <input type="checkbox"/> New <input type="checkbox"/> Renewal	\$290.00 (annually)
<input type="checkbox"/> Microfiche sets of Illinois Register 1977 through 2000 Specify Year(s) _____	\$200.00 (per set)
<input type="checkbox"/> Back issue of the Illinois Register (Current Year Only) Volume # _____ Issue # _____ Date _____	\$ 10.00 (each)
<input type="checkbox"/> Cumulative/Sections Affected Indices 1990-2000 Specify Year(s) _____	\$ 5.00 (each)
<input type="checkbox"/> Cumulative Indices to Illinois Register 1981-2000 Specify Year(s) _____	\$ 1.00 (each)
<input type="checkbox"/> Sections Affected Indices to Illinois Register 1984-2000 Specify Year(s) _____	\$ 1.00 (each)

Prepayment is Required

(processing fee for credit card purchases, if applicable.) **\$ 1.50**

TOTAL AMOUNT OF ORDER \$ _____

Check Make Checks payable to: **Secretary of State**

<input type="checkbox"/> VISA <input type="checkbox"/> Master Card <input type="checkbox"/> Discover <small>(There is a \$1.50 processing fee for credit card purchases.)</small>
Card #: _____
Expiration Date: _____
Signature: _____

Send Payment to: Index Department
 111 E. Monroe
 Springfield, IL 62756

Fax order to: (217) 524-0308

Name: _____		
Address: _____		
City: _____	State: _____	ZIP Code: _____
Phone: _____	FAX: _____	E-mail: _____