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March 28, 2022

## Via e-Mail

Mr. Michael Merchant Executive Director Illinois Commerce Commission 527 East Capitol Avenue Springfield, Illinois 62701 Michael.Merchant2@illinois.gov

Re: Response to March 23, 2022 Letter

Dear Mr. Merchant:

Nicor Gas believes everyone has the right to clean, safe and reliable natural gas, and that customers deserve peace of mind when it comes to paying their gas bills. Accordingly, Nicor Gas is committed to supporting customers who are experiencing financial hardship and knows that this continues to be a challenging time for many of our communities, with costs on the rise for all consumer goods. Nicor Gas is pleased to share with you a customer support and assistance plan that increases funding available for customers in need through self-certification, creates a dedicated customer center focused on reaching customers in need of bill payment and assistance options, and provides additional protection to customers with arrearages beyond those established in Part 280 of the Illinois Administrative Code.

Recognizing the continued need for bill payment assistance and support, Nicor Gas has launched two additional initiatives aimed at assisting customers potentially facing disconnection and experiencing financial hardship. To enable more customers in need of assistance that may not yet be income qualified, Nicor Gas is making an additional \$1 million available this year in our bill payment assistance program in partnership with The Salvation Army, Shield of Caring program. Nicor Gas announced the Shield of Caring program in late 2021 through a \$5 million multi-year contribution from Nicor Gas to serve those hardest hit by the pandemic. The first program year closes on May 31, 2022, and with this announcement, Nicor Gas is making a total of \$2 million available to eligible customers in the first program year. The funding will assist residential customers who are past due on their natural gas utility bill and report a financial hardship, such as a job loss, illness, military deployment, or disability. The Shield of Caring Program builds onto Nicor Gas' existing Sharing Program, which continues to operate and is funded by Nicor Gas and donations from its customers to offer bill payment assistance to eligible residential customers in need.

Under the Shield of Caring program, Nicor Gas residential customers with a household gross income in the last 30 days below 400% of the Federal Poverty Level may be eligible to receive a grant of up to \$250 once every two years to apply to their past due account balances. Customers who are eligible to receive assistance grants from other programs, such as LIHEAP or Sharing, and still have a past-due account balance after receiving assistance from those programs may be eligible to receive a grant under the Shield of Caring program. The Salvation Army distributes financial assistance through its corps community centers and service extension units in 37 counties in Nicor Gas' Illinois service territory.

Nicor Gas also has recently launched a Community Connection Center (C3), which is a one-stop shop to help income-qualified customers connect with bill payment assistance, energy efficiency solutions, and other community resources. To connect with customers who may be income qualified, Nicor Gas will conduct outreach to these customers through email and outbound calling campaigns. Nicor Gas also will post an online intake form that customers may use to request that a company representative call them at a preferred time to discuss energy assistance benefits and other support. Additional details regarding the new Community Connection Center are shown in the attached materials.

Nicor Gas agrees to provide additional protections to residential customers with arrearages and to help those customers mitigate and reduce outstanding arrearages. These customer protections are beyond those established in Part 280 and those that Nicor Gas already provides for as a routine matter (for example, waiver of all reconnection fees for income qualified customers as defined in Part 280).

Specifically, Nicor Gas commits to the following additional protections for its residential customers:

- Through July 31, 2022, Nicor Gas will not disconnect for nonpayment any residential customers who have received LIHEAP or PIPP benefits during program year 2022. Nicor Gas understands that these customers will receive additional financial assistance in the form of the Utility Disconnection Avoidance Program and a summer Supplemental LIHEAP Assistance Grant from the Illinois Department of Commerce and Economic Opportunity (DCEO) before July 31, 2022.
- Nicor Gas will work closely with its long-standing community partner The Salvation Army to identify those residential customers who newly apply for Shield of Caring grants to prevent these customers from being disconnected for nonpayment while their application for energy assistance benefits is pending. For customers that are applying for LIHEAP and PIPP, while the information technology systems are not currently in place to allow for these customers to be identified automatically, Nicor Gas will make every effort to identify such customers through this manual process. Nicor Gas also commits to continuing discussions with the LAAs to address technology solutions to facilitate automatic identification of customers with pending applications in the future.

- Also, through July 31, 2022, Nicor Gas will offer to enroll any residential customer in a deferred payment arrangement (DPA) with an 18-month payment term and 0% down payment. For the time being, residential customers only need to contact Nicor Gas at 888-642-6748 and speak directly with a Customer Service Representative (CSR) in order to enroll in this more generous DPA. Nicor Gas is continuing to examine whether and when it may be able to make these more generous DPAs available to residential customers who sign-up for a DPA through the electronic MyAccount portal or the automated phone system. Customers who enroll in these more generous DPAs will not be at risk of disconnection as long as they continue to make payments under the terms of their respective DPA.
- Starting April 4, 2022, Nicor Gas will phase in residential disconnections for nonpayment based on customer arrearage levels, with those at the highest arrearages eligible for disconnection first as outlined below. Only those customers who do not make a payment or contact the utility to enter into a DPA after receiving a disconnection notice will be eligible for disconnection in accordance with the disconnection procedures in Part 280.
  - o Customers at 150% or more of average January (2022) arrearage
    - Notices starting March 21
    - Disconnections April 4-30
  - Customers at 100% or more of average January (2022) arrearage
    - Notices starting April 20
    - Disconnections May 1-31
  - o Other customers eligible for disconnection under Part 280.130
    - Notices starting May 20
    - Disconnections starting June 1

Nicor Gas appreciates your leadership and that of others at the Illinois Commerce Commission as we work together with various stakeholders to address the energy assistance needs of utility customers in Illinois.

Sincerely,

Rachelle Whitacre

Director, Regulatory Affairs

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Attachment