

Important Rate Information



On February 10, 2022, Illinois American Water submitted a rate change request to the Illinois Commerce Commission (ICC) following an extensive examination of investments to provide safe and reliable water and wastewater service. The ICC has completed its review and new rates are approved for Illinois American Water's wastewater and water service customers. New rates are effective January 1, 2023. The drivers of these rate changes and the changes in rates are detailed below. This is the first change in base rates since 2017, six years ago.

CRITICAL INVESTMENT

This change in rates is driven primarily by over \$1.1 billion in completed or planned investment – approximately \$948 million in water system improvements and \$204 million in wastewater system improvements – across the state from 2018 through 2023.

Investments include the replacement, lining and installation of approximately 141 miles (more than 744,000 feet) of aging water and wastewater pipelines. Investments also include, among others, upgrading water and wastewater treatment plants, storage tanks, wells, pumping stations, fire hydrants, meters, manholes and more across the state.

NEW RESIDENTIAL RATES

The monthly water service bill for the typical residential customer using 3,500 gallons per month with a 5/8-inch meter will increase between \$3 and \$16 per month, depending on the service area. The typical residential wastewater bill would increase between \$25 and \$36 per month, depending on the service area. Rate changes are outlined on a chart on the next page.

LOW-INCOME DISCOUNT TARIFF

As a part of the new rate design, Illinois American Water requested a Low-Income Discount Rider to lower rates for qualifying low-income customers. This was approved by the ICC. Illinois American Water is working to implement the new low-income program. Qualifying low-income customers will need to apply for the low-income discount. A combined wastewater collection and treatment bill for the typical qualifying residential customer could decrease by about \$13 to \$26 a month, depending on the service area. A typical qualifying residential water service bill could decrease by about \$12 to \$24 a month, depending on the service area.

The discount will not be applied without a customer providing required income information. Information about the program will be communicated to customers when the application process is in place. In addition to this low-income discount, Illinois American Water also offers assistance through the H₂O Help to Others program, payment plans and budget billing. More information is available at illinoisamwater.com.



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New Rates Effective January 1, 2023

Following an extensive review, the Illinois Commerce Commission (ICC) issued an order adjusting rates for Illinois American Water. Illinois American Water cannot change base rates without ICC approval. The last change in base rates occurred over six years ago in 2017. Changes in residential rates are outlined below by service area. Industrial, commercial and sale-for-resale customers will see a different adjustment in rates. Illinois American Water will be communicating with these customers. Because customer billing cycles vary, the amounts on a customer's first bill with the new rates may reflect both the previous and new rates. The next bill will fully reflect the new rates. For more information on how the rate change might impact your bill, contact our customer service center at **800-422-2728**. For water conservation tips, visit illinoisamwater.com.

If you receive both water and wastewater service from us and wish to install a separate meter for irrigation to mitigate your wastewater charges, you may request a separate meter for the irrigation service. General service rates will apply to the irrigation meter.

Service Area	Use Level	Monthly Base Charges at Current Rates*	Monthly Base Charges at Approved Rates*	Dollar Increase	Percentage Increase
Central Water Residential**	Small (2,000 gal/mo)	\$40.49	\$42.75	\$2.26	5.6%
	Medium (3,500 gal/mo)	\$50.36	\$57.26	\$6.89	13.7%
	Large (10,000 gal/mo)	\$93.15	\$120.12	\$26.97	28.9%
Pekin Water Residential	Small (2,000 gal/mo)	\$33.73	\$34.23	\$0.50	1.5%
	Medium (3,500 gal/mo)	\$38.33	\$41.76	\$3.42	8.9%
	Large (10,000 gal/mo)	\$58.30	\$74.37	\$16.07	27.6%
Lincoln Water Residential	Small (2,000 gal/mo)	\$34.59	\$42.75	\$8.16	23.6%
	Medium (3,500 gal/mo)	\$41.51	\$57.26	\$15.74	37.9%
	Large (10,000 gal/mo)	\$71.49	\$120.12	\$48.62	68.0%
Central Wastewater Residential	Small (2,000 gal/mo)	\$21.40	\$45.36	\$23.96	112.0%
	Medium (3,500 gal/mo)	\$31.75	\$67.28	\$35.53	111.9%
	Large (10,000 gal/mo)	\$76.60	\$162.24	\$85.64	111.8%
Chicago Metro Wastewater Residential	Small (2,000 gal/mo)	\$78.65	\$101.04	\$22.39	28.5%
	Medium (3,500 gal/mo)	\$87.22	\$112.05	\$24.83	28.5%
	Large (10,000 gal/mo)	\$124.37	\$159.76	\$35.39	28.5%

* Monthly Base Charges at Current and Approved Rates represent base Illinois American Water rates as approved within the rate case, including fixed and volumetric service charges, fire protection and the QIP surcharge (excludes taxes and other pass-through charges such as purchased water/purchased sewage treatment surcharge).

** Central Water includes Alton/Cairo/Champaign/Chicago Metro/Hardin/Interurban/Lincoln/Livingston/Peoria/Pontiac/South Beloit/Sterling/Streator. Lincoln is listed separately in this chart due to it being incorporated into Central Water with the rate order.