



Sen. James F. Clayborne, Jr.

Filed: 3/26/2012

09700SB3173sam002

LRB097 19727 CEL 67879 a

1 AMENDMENT TO SENATE BILL 3173

2 AMENDMENT NO. _____. Amend Senate Bill 3173 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Power Agency Act is amended by
5 changing Sections 1-10 and 1-20 and by adding Section 1-76 as
6 follows:

7 (20 ILCS 3855/1-10)

8 Sec. 1-10. Definitions.

9 "Agency" means the Illinois Power Agency.

10 "Agency loan agreement" means any agreement pursuant to
11 which the Illinois Finance Authority agrees to loan the
12 proceeds of revenue bonds issued with respect to a project to
13 the Agency upon terms providing for loan repayment installments
14 at least sufficient to pay when due all principal of, interest
15 and premium, if any, on those revenue bonds, and providing for
16 maintenance, insurance, and other matters in respect of the

1 project.

2 "Authority" means the Illinois Finance Authority.

3 "Clean coal facility" means an electric generating
4 facility that uses primarily coal as a feedstock and that
5 captures and sequesters carbon dioxide emissions at the
6 following levels: at least 50% of the total carbon dioxide
7 emissions that the facility would otherwise emit if, at the
8 time construction commences, the facility is scheduled to
9 commence operation before 2016, at least 70% of the total
10 carbon dioxide emissions that the facility would otherwise emit
11 if, at the time construction commences, the facility is
12 scheduled to commence operation during 2016 or 2017, and at
13 least 90% of the total carbon dioxide emissions that the
14 facility would otherwise emit if, at the time construction
15 commences, the facility is scheduled to commence operation
16 after 2017. The power block of the clean coal facility shall
17 not exceed allowable emission rates for sulfur dioxide,
18 nitrogen oxides, carbon monoxide, particulates and mercury for
19 a natural gas-fired combined-cycle facility the same size as
20 and in the same location as the clean coal facility at the time
21 the clean coal facility obtains an approved air permit. All
22 coal used by a clean coal facility shall have high volatile
23 bituminous rank and greater than 1.7 pounds of sulfur per
24 million btu content, unless the clean coal facility does not
25 use gasification technology and was operating as a conventional
26 coal-fired electric generating facility on June 1, 2009 (the

1 effective date of Public Act 95-1027).

2 "Clean coal SNG brownfield facility" means a facility that
3 (1) has commenced construction by July 1, 2015 on an urban
4 brownfield site in a municipality with at least 1,000,000
5 residents; (2) uses a gasification process to produce
6 substitute natural gas; (3) uses coal as at least 50% of the
7 total feedstock over the term of any sourcing agreement with a
8 utility and the remainder of the feedstock may be either
9 petroleum coke or coal, with all such coal having a high
10 bituminous rank and greater than 1.7 pounds of sulfur per
11 million Btu content unless the facility reasonably determines
12 that it is necessary to use additional petroleum coke to
13 deliver additional consumer savings, in which case the facility
14 shall use coal for at least 35% of the total feedstock over the
15 term of any sourcing agreement; and (4) captures and sequesters
16 at least 85% of the total carbon dioxide emissions that the
17 facility would otherwise emit.

18 "Clean coal SNG facility" means a facility that uses a
19 gasification process to produce substitute natural gas, that
20 sequesters at least 90% of the total carbon dioxide emissions
21 that the facility would otherwise emit, that uses at least 90%
22 coal as a feedstock, with all such coal having a high
23 bituminous rank and greater than 1.7 pounds of sulfur per
24 million btu content, and that has a valid and effective permit
25 to construct emission sources and air pollution control
26 equipment and approval with respect to the federal regulations

1 for Prevention of Significant Deterioration of Air Quality
2 (PSD) for the plant pursuant to the federal Clean Air Act;
3 provided, however, a clean coal SNG brownfield facility shall
4 not be a clean coal SNG facility.

5 "Commission" means the Illinois Commerce Commission.

6 "Costs incurred in connection with the development and
7 construction of a facility" means:

8 (1) the cost of acquisition of all real property,
9 fixtures, and improvements in connection therewith and
10 equipment, personal property, and other property, rights,
11 and easements acquired that are deemed necessary for the
12 operation and maintenance of the facility;

13 (2) financing costs with respect to bonds, notes, and
14 other evidences of indebtedness of the Agency;

15 (3) all origination, commitment, utilization,
16 facility, placement, underwriting, syndication, credit
17 enhancement, and rating agency fees;

18 (4) engineering, design, procurement, consulting,
19 legal, accounting, title insurance, survey, appraisal,
20 escrow, trustee, collateral agency, interest rate hedging,
21 interest rate swap, capitalized interest, contingency, as
22 required by lenders, and other financing costs, and other
23 expenses for professional services; and

24 (5) the costs of plans, specifications, site study and
25 investigation, installation, surveys, other Agency costs
26 and estimates of costs, and other expenses necessary or

1 incidental to determining the feasibility of any project,
2 together with such other expenses as may be necessary or
3 incidental to the financing, insuring, acquisition, and
4 construction of a specific project and starting up,
5 commissioning, and placing that project in operation.

6 "Department" means the Department of Commerce and Economic
7 Opportunity.

8 "Director" means the Director of the Illinois Power Agency.

9 "Demand-response" means measures that decrease peak
10 electricity demand or shift demand from peak to off-peak
11 periods.

12 "Distributed renewable energy generation device" means a
13 device that is:

14 (1) powered by wind, solar thermal energy,
15 photovoltaic cells and panels, biodiesel, crops and
16 untreated and unadulterated organic waste biomass, tree
17 waste, and hydropower that does not involve new
18 construction or significant expansion of hydropower dams;

19 (2) interconnected at the distribution system level of
20 either an electric utility as defined in this Section, an
21 alternative retail electric supplier as defined in Section
22 16-102 of the Public Utilities Act, a municipal utility as
23 defined in Section 3-105 of the Public Utilities Act, or a
24 rural electric cooperative as defined in Section 3-119 of
25 the Public Utilities Act;

26 (3) located on the customer side of the customer's

1 electric meter and is primarily used to offset that
2 customer's electricity load; and

3 (4) limited in nameplate capacity to no more than 2,000
4 kilowatts.

5 "Eligible retail customers" has the same definition as
6 found in Section 16-111.5 of the Public Utilities Act.

7 "Energy efficiency" means measures that reduce the amount
8 of electricity or natural gas required to achieve a given end
9 use.

10 "Electric utility" has the same definition as found in
11 Section 16-102 of the Public Utilities Act.

12 "Facility" means an electric generating unit or a
13 co-generating unit that produces electricity along with
14 related equipment necessary to connect the facility to an
15 electric transmission or distribution system.

16 "Governmental aggregator" means one or more units of local
17 government that individually or collectively procure
18 electricity to serve residential retail electrical loads
19 located within its or their jurisdiction.

20 "Local government" means a unit of local government as
21 defined in ~~Article VII~~ of Section 1 of Article VII of the
22 Illinois Constitution.

23 "Municipal brownfield site" means a site (1) that is owned
24 by a municipality and conveyed or leased to a person proposing
25 to operate a qualified solar remediation facility on such site
26 and (2) that is the subject of a Superfund alternative approach

1 agreement between the United States Environmental Protection
2 Agency and potentially responsible parties in accordance with
3 the federal Comprehensive Environmental Response,
4 Compensation, and Liability Act of 1980, as amended, requiring
5 remedial clean up of such site.

6 "Municipality" means a city, village, or incorporated
7 town.

8 "Person" means any natural person, firm, partnership,
9 corporation, either domestic or foreign, company, association,
10 limited liability company, joint stock company, or association
11 and includes any trustee, receiver, assignee, or personal
12 representative thereof.

13 "Project" means the planning, bidding, and construction of
14 a facility.

15 "Public utility" has the same definition as found in
16 Section 3-105 of the Public Utilities Act.

17 "Qualified solar power purchase agreement" means an
18 agreement between the operator of a qualified solar remediation
19 facility and an electric utility that has terms and conditions
20 meeting the requirements of subsection (c) of Section 1-76 of
21 this Act and is consistent with the utility's applicable
22 tariffs.

23 "Qualified solar remediation facility" means an electric
24 generating facility:

25 (1) that uses photovoltaic cells and panels to produce
26 energy;

1 (2) that is located at a municipal brownfield site;

2 (3) that has a nameplate capacity of no more than 20
3 megawatts; and

4 (4) where construction of the electric generating
5 facility structure has not commenced on or before the date
6 the application to approve a qualified solar power purchase
7 agreement for such facility is submitted to the Agency in
8 accordance with Section 1-76 of this Act.

9 "Real property" means any interest in land together with
10 all structures, fixtures, and improvements thereon, including
11 lands under water and riparian rights, any easements,
12 covenants, licenses, leases, rights-of-way, uses, and other
13 interests, together with any liens, judgments, mortgages, or
14 other claims or security interests related to real property.

15 "Renewable energy credit" means a tradable credit that
16 represents the environmental attributes of a certain amount of
17 energy produced from a renewable energy resource.

18 "Renewable energy resources" includes energy and its
19 associated renewable energy credit or renewable energy credits
20 from wind, solar thermal energy, photovoltaic cells and panels,
21 biodiesel, anaerobic digestion, crops and untreated and
22 unadulterated organic waste biomass, tree waste, hydropower
23 that does not involve new construction or significant expansion
24 of hydropower dams, and other alternative sources of
25 environmentally preferable energy. For purposes of this Act,
26 landfill gas produced in the State is considered a renewable

1 energy resource. "Renewable energy resources" does not include
2 the incineration or burning of tires, garbage, general
3 household, institutional, and commercial waste, industrial
4 lunchroom or office waste, landscape waste other than tree
5 waste, railroad crossties, utility poles, or construction or
6 demolition debris, other than untreated and unadulterated
7 waste wood.

8 "Revenue bond" means any bond, note, or other evidence of
9 indebtedness issued by the Authority, the principal and
10 interest of which is payable solely from revenues or income
11 derived from any project or activity of the Agency.

12 "Sequester" means permanent storage of carbon dioxide by
13 injecting it into a saline aquifer, a depleted gas reservoir,
14 or an oil reservoir, directly or through an enhanced oil
15 recovery process that may involve intermediate storage,
16 regardless of whether these activities are conducted by a clean
17 coal facility, a clean coal SNG facility, a clean coal SNG
18 brownfield facility, or a party with which a clean coal
19 facility, ~~or~~ clean coal SNG facility, or clean coal SNG
20 brownfield facility has contracted for such purposes.

21 "Sourcing agreement" means (i) in the case of an electric
22 utility, an agreement between the owner of a clean coal
23 facility and such electric utility, which agreement shall have
24 terms and conditions meeting the requirements of paragraph (3)
25 of subsection (d) of Section 1-75, (ii) in the case of an
26 alternative retail electric supplier, an agreement between the

1 owner of a clean coal facility and such alternative retail
2 electric supplier, which agreement shall have terms and
3 conditions meeting the requirements of Section 16-115(d)(5) of
4 the Public Utilities Act, and (iii) in case of a gas utility,
5 an agreement between the owner of a clean coal SNG brownfield
6 facility and the gas utility, which agreement shall have the
7 terms and conditions meeting the requirements of subsection
8 (h-1) of Section 9-220 of the Public Utilities Act.

9 "Substitute natural gas" or "SNG" means a gas manufactured
10 by gasification of hydrocarbon feedstock, which is
11 substantially interchangeable in use and distribution with
12 conventional natural gas.

13 "Total resource cost test" or "TRC test" means a standard
14 that is met if, for an investment in energy efficiency or
15 demand-response measures, the benefit-cost ratio is greater
16 than one. The benefit-cost ratio is the ratio of the net
17 present value of the total benefits of the program to the net
18 present value of the total costs as calculated over the
19 lifetime of the measures. A total resource cost test compares
20 the sum of avoided electric utility costs, representing the
21 benefits that accrue to the system and the participant in the
22 delivery of those efficiency measures, as well as other
23 quantifiable societal benefits, including avoided natural gas
24 utility costs, to the sum of all incremental costs of end-use
25 measures that are implemented due to the program (including
26 both utility and participant contributions), plus costs to

1 administer, deliver, and evaluate each demand-side program, to
2 quantify the net savings obtained by substituting the
3 demand-side program for supply resources. In calculating
4 avoided costs of power and energy that an electric utility
5 would otherwise have had to acquire, reasonable estimates shall
6 be included of financial costs likely to be imposed by future
7 regulations and legislation on emissions of greenhouse gases.

8 (Source: P.A. 96-33, eff. 7-10-09; 96-159, eff. 8-10-09;
9 96-784, eff. 8-28-09; 96-1000, eff. 7-2-10; 97-96, eff.
10 7-13-11; 97-239, eff. 8-2-11; 97-491, eff. 8-22-11; 97-616,
11 eff. 10-26-11; revised 11-10-11.)

12 (20 ILCS 3855/1-20)

13 Sec. 1-20. General powers of the Agency.

14 (a) The Agency is authorized to do each of the following:

15 (1) Develop electricity procurement plans to ensure
16 adequate, reliable, affordable, efficient, and
17 environmentally sustainable electric service at the lowest
18 total cost over time, taking into account any benefits of
19 price stability, for electric utilities that on December
20 31, 2005 provided electric service to at least 100,000
21 customers in Illinois and for small multi-jurisdictional
22 electric utilities that (A) on December 31, 2005 served
23 less than 100,000 customers in Illinois and (B) request a
24 procurement plan for their Illinois jurisdictional load.
25 The procurement plans shall be updated on an annual basis

1 and shall include electricity generated from renewable
2 resources sufficient to achieve the standards specified in
3 this Act.

4 (2) Conduct competitive procurement processes to
5 procure the supply resources identified in the procurement
6 plan, pursuant to Section 16-111.5 of the Public Utilities
7 Act.

8 (3) Develop electric generation and co-generation
9 facilities that use indigenous coal or renewable
10 resources, or both, financed with bonds issued by the
11 Illinois Finance Authority.

12 (4) Supply electricity from the Agency's facilities at
13 cost to one or more of the following: municipal electric
14 systems, governmental aggregators, or rural electric
15 cooperatives in Illinois.

16 (b) Except as otherwise limited by this Act, the Agency has
17 all of the powers necessary or convenient to carry out the
18 purposes and provisions of this Act, including without
19 limitation, each of the following:

20 (1) To have a corporate seal, and to alter that seal at
21 pleasure, and to use it by causing it or a facsimile to be
22 affixed or impressed or reproduced in any other manner.

23 (2) To use the services of the Illinois Finance
24 Authority necessary to carry out the Agency's purposes.

25 (3) To negotiate and enter into loan agreements and
26 other agreements with the Illinois Finance Authority.

1 (4) To obtain and employ personnel and hire consultants
2 that are necessary to fulfill the Agency's purposes, and to
3 make expenditures for that purpose within the
4 appropriations for that purpose.

5 (5) To purchase, receive, take by grant, gift, devise,
6 bequest, or otherwise, lease, or otherwise acquire, own,
7 hold, improve, employ, use, and otherwise deal in and with,
8 real or personal property whether tangible or intangible,
9 or any interest therein, within the State.

10 (6) To acquire real or personal property, whether
11 tangible or intangible, including without limitation
12 property rights, interests in property, franchises,
13 obligations, contracts, and debt and equity securities,
14 and to do so by the exercise of the power of eminent domain
15 in accordance with Section 1-21; except that any real
16 property acquired by the exercise of the power of eminent
17 domain must be located within the State.

18 (7) To sell, convey, lease, exchange, transfer,
19 abandon, or otherwise dispose of, or mortgage, pledge, or
20 create a security interest in, any of its assets,
21 properties, or any interest therein, wherever situated.

22 (8) To purchase, take, receive, subscribe for, or
23 otherwise acquire, hold, make a tender offer for, vote,
24 employ, sell, lend, lease, exchange, transfer, or
25 otherwise dispose of, mortgage, pledge, or grant a security
26 interest in, use, and otherwise deal in and with, bonds and

1 other obligations, shares, or other securities (or
2 interests therein) issued by others, whether engaged in a
3 similar or different business or activity.

4 (9) To make and execute agreements, contracts, and
5 other instruments necessary or convenient in the exercise
6 of the powers and functions of the Agency under this Act,
7 including contracts with any person, including personal
8 service contracts, or with any local government, State
9 agency, or other entity; and all State agencies and all
10 local governments are authorized to enter into and do all
11 things necessary to perform any such agreement, contract,
12 or other instrument with the Agency. No such agreement,
13 contract, or other instrument shall exceed 40 years.

14 (10) To lend money, invest and reinvest its funds in
15 accordance with the Public Funds Investment Act, and take
16 and hold real and personal property as security for the
17 payment of funds loaned or invested.

18 (11) To borrow money at such rate or rates of interest
19 as the Agency may determine, issue its notes, bonds, or
20 other obligations to evidence that indebtedness, and
21 secure any of its obligations by mortgage or pledge of its
22 real or personal property, machinery, equipment,
23 structures, fixtures, inventories, revenues, grants, and
24 other funds as provided or any interest therein, wherever
25 situated.

26 (12) To enter into agreements with the Illinois Finance

1 Authority to issue bonds whether or not the income
2 therefrom is exempt from federal taxation.

3 (13) To procure insurance against any loss in
4 connection with its properties or operations in such amount
5 or amounts and from such insurers, including the federal
6 government, as it may deem necessary or desirable, and to
7 pay any premiums therefor.

8 (14) To negotiate and enter into agreements with
9 trustees or receivers appointed by United States
10 bankruptcy courts or federal district courts or in other
11 proceedings involving adjustment of debts and authorize
12 proceedings involving adjustment of debts and authorize
13 legal counsel for the Agency to appear in any such
14 proceedings.

15 (15) To file a petition under Chapter 9 of Title 11 of
16 the United States Bankruptcy Code or take other similar
17 action for the adjustment of its debts.

18 (16) To enter into management agreements for the
19 operation of any of the property or facilities owned by the
20 Agency.

21 (17) To enter into an agreement to transfer and to
22 transfer any land, facilities, fixtures, or equipment of
23 the Agency to one or more municipal electric systems,
24 governmental aggregators, or rural electric agencies or
25 cooperatives, for such consideration and upon such terms as
26 the Agency may determine to be in the best interest of the

1 citizens of Illinois.

2 (18) To enter upon any lands and within any building
3 whenever in its judgment it may be necessary for the
4 purpose of making surveys and examinations to accomplish
5 any purpose authorized by this Act.

6 (19) To maintain an office or offices at such place or
7 places in the State as it may determine.

8 (20) To request information, and to make any inquiry,
9 investigation, survey, or study that the Agency may deem
10 necessary to enable it effectively to carry out the
11 provisions of this Act.

12 (21) To accept and expend appropriations.

13 (22) To engage in any activity or operation that is
14 incidental to and in furtherance of efficient operation to
15 accomplish the Agency's purposes, including hiring
16 employees that the Director deems essential for the
17 operations of the Agency.

18 (23) To adopt, revise, amend, and repeal rules with
19 respect to its operations, properties, and facilities as
20 may be necessary or convenient to carry out the purposes of
21 this Act, subject to the provisions of the Illinois
22 Administrative Procedure Act and Sections 1-22 and 1-35 of
23 this Act.

24 (24) To establish and collect charges and fees as
25 described in this Act.

26 (25) To conduct competitive gasification feedstock

1 procurement processes to procure the feedstocks for the
2 clean coal SNG brownfield facility in accordance with the
3 requirements of Section 1-78 of this Act.

4 (26) To review, revise, and approve sourcing
5 agreements and mediate and resolve disputes between gas
6 utilities and the clean coal SNG brownfield facility
7 pursuant to subsection (h-1) of Section 9-220 of the Public
8 Utilities Act.

9 (27) To review and approve qualified solar power
10 purchase agreements pursuant to Section 1-76 of this Act.

11 (Source: P.A. 96-784, eff. 8-28-09; 96-1000, eff. 7-2-10;
12 97-96, eff. 7-13-11; 97-325, eff. 8-12-11; 97-618, eff.
13 10-26-11; revised 11-10-11.)

14 (20 ILCS 3855/1-76 new)

15 Sec. 1-76. Qualified solar power purchase agreements.

16 (a) The General Assembly finds that encouraging the
17 development and use of solar energy is in the public interest
18 and consistent with the renewable energy goals of the State.
19 The General Assembly further finds that repurposing and
20 redeveloping brownfield sites owned by municipalities,
21 including in particular those sites that are in need of
22 remedial clean up due to prior contamination, to host solar
23 energy producing facilities is in the economic and
24 environmental interests of the State, those municipalities,
25 and the public.

1 (b) For a period of one year after the effective date of
2 this amendatory Act of the 97th General Assembly, the Agency
3 shall accept applications from proposed operators of proposed
4 qualified solar remediation facilities to approve a qualified
5 solar power purchase agreement. The Agency shall accept only
6 one application that meets the criteria set forth in this
7 Section. The Agency shall not accept an application that does
8 not meet the criteria set forth in this Section. The
9 application shall include a proposed qualified solar power
10 purchase agreement between the applicant and an electric
11 utility.

12 (c) Each qualified solar power purchase agreement shall:

13 (1) include provisions governing the prices paid for
14 electricity generated by the qualified solar remediation
15 facility and for renewable energy credits purchased in
16 connection with the electricity, which prices in aggregate
17 (for both electricity and renewable energy credits) shall
18 not:

19 (A) exceed 23 cents per kilowatt hour in the first
20 year of the sale thereof pursuant to such qualified
21 solar power purchase agreement; and

22 (B) increase during the term of the qualified solar
23 power purchase agreement by more than 1.5% per year;

24 (2) specify a term of no more than 20 years, commencing
25 on the commercial operation date of the facility;

26 (3) require the facility to be constructed on the

1 specified municipal brownfield site and to achieve the
2 commercial operation date within 5 years after the approval
3 of the qualified solar power purchase agreement by the
4 Agency;

5 (4) include a representation by the applicant that,
6 from and after the execution of the qualified solar power
7 purchase agreement, any costs incurred in the
8 environmental remediation of the municipal brownfield
9 site, other than for the construction of the qualified
10 solar remediation facility, shall not cause an increase in
11 the prices paid for electricity generated by the qualified
12 solar remediation facility in excess of the prices stated
13 in the proposed qualified solar power purchase agreement;

14 (5) provide for purchase and sale of the full output of
15 a qualified solar remediation facility consistent with the
16 electric utility's tariffs and practice, but not to exceed
17 a nameplate capacity of 20 megawatts;

18 (6) require the qualified solar remediation facility
19 to provide to the electric utility, on a day-prior basis,
20 an estimate of the integrated hourly output from the
21 facility and, on a monthly basis, the actual integrated
22 hourly output from the facility; and

23 (7) provide that the effectiveness of such agreement is
24 contingent upon (i) approval by the Agency pursuant to this
25 Section and (ii) inclusion in a procurement plan that is
26 submitted by the Agency and approved by the Commission.

1 (d) The Agency shall promptly review an application
2 submitted pursuant to this Section. The Agency shall approve a
3 qualified solar power purchase agreement within 90 days after
4 the Agency has received such an application or before the next
5 submission of the Agency's procurement plan to the Commission,
6 whichever is earlier, unless the Agency finds that the
7 agreement does not conform to the requirements of subsection
8 (c) of this Section. Immediately following the approval of the
9 qualified solar power purchase agreement by the Agency, the
10 Agency shall include and incorporate the qualified solar power
11 purchase agreement and the proposed output in the Agency's
12 procurement plan.

13 (e) The Commission shall approve the inclusion of the
14 qualified solar power purchase agreement in the Agency's
15 procurement plan, unless the Commission finds that any
16 projected rate increases to eligible retail electric customers
17 attributable solely to costs incurred by an electric utility
18 pursuant to the qualified solar power purchase agreement
19 violate the requirements of paragraph (2) of subsection (c) of
20 Section 1-75 of this Act. Upon approval of a qualified solar
21 power purchase agreement by the Commission, such qualified
22 solar power purchase agreement shall be executed by the parties
23 and become effective subject to the electric utility's
24 applicable tariffs.

25 (f) The Agency may assess a fee to the applicant to recover
26 the costs incurred in reviewing the application pursuant to

1 this Section.

2 (g) All costs incurred by an electric utility pursuant to a
3 qualified solar power purchase agreement approved by the Agency
4 pursuant to this Section, including costs for renewable energy
5 credits purchased in connection with electricity generated by
6 that qualified solar remediation facility and costs incurred in
7 negotiating the agreement and seeking approval by the Agency in
8 accordance with this Section, shall be deemed prudently
9 incurred and reasonable in amount, and the electric utility
10 shall be entitled to full cost recovery pursuant to the tariffs
11 filed with the Commission.

12 (h) Any renewable energy credits purchased by an electric
13 utility pursuant to a qualified solar power purchase agreement
14 approved by the Agency pursuant to this Section shall count
15 towards the required percentages for solar photovoltaic energy
16 for the purposes of subsection (c) of Section 1-75 of this Act.

17 (i) The electric utility shall include purchases under the
18 qualified solar power purchase agreement in its portfolio of
19 purchases associated with eligible retail customers, at a value
20 equal to the total of the per-kilowatt-hour cost of on-peak
21 energy, capacity, and solar renewable energy credits
22 associated with renewable energy procured in the most recent
23 power procurement event conducted under Section 1-75 of this
24 Act that included executed contracts for solar renewable energy
25 credits. The value of purchases under the qualified solar power
26 purchase agreement shall be recovered under tariffs approved by

1 the Commission pursuant to subsection (l) of Section 16-111.5
2 of the Public Utilities Act.

3 The electric utility shall estimate the kilowatt-hour
4 quantity of qualified solar power purchase agreement energy
5 expected to be acquired in a procurement plan year. The over or
6 under cost recovery mechanism contained in the tariff approved
7 by the Commission pursuant to subsection (l) of Section
8 16-111.5 of the Public Utilities Act shall reconcile the
9 estimated costs with the actual costs allocated to eligible
10 retail customers by multiplying the per-kilowatt-hour cost
11 established in this Section by the difference between the
12 estimated kilowatt-hour quantity and the actual kilowatt-hour
13 quantity generated by the qualified solar remediation
14 facility.

15 (j) If the price established by the qualified solar power
16 purchase agreement in conformance with subsection (c) of this
17 Section is different than the value of the purchases under the
18 qualified solar power purchase agreement as determined by
19 subsection (i) of this Section, the difference shall be
20 collected equally from, or credited equally to, all of the
21 electric utility's delivery service customers through a cents
22 per-kilowatt-hour tariff mechanism approved by the Commission.
23 Such tariff mechanism shall be established outside the context
24 of a general rate case or formula rate proceeding. The tariff
25 mechanism each year shall establish an estimated amount to
26 collect or credit and shall contain provisions that ensure that

1 its application does not result in over or under recovery,
2 including, but not limited to, that may be due to changes in
3 qualified solar remediation facility production or customer
4 usage or demand patterns.

5 The application of subsections (i) and (j) of this Section
6 together shall be construed to permit the electric utility to
7 recover all of its costs incurred to comply with this Section.

8 (k) Nothing in this Section shall be construed to prohibit
9 the electric utility from recovering prudently incurred costs
10 under this Section from its delivery service customers or
11 bundled service customers.

12 Section 99. Effective date. This Act takes effect upon
13 becoming law.".