**Section 451.50 License or Permit Bond Requirements**

a) The applicant shall execute and maintain a license or permit bond issued by a qualifying surety or insurance company authorized to transact business in the State of Illinois in favor of the People of the State of Illinois. The amount of the bond shall equal $30,000 if the applicant seeks to serve only nonresidential retail customers with maximum electrical demands of one megawatt or more, $150,000 if the applicant seeks to serve nonresidential retail customers with annual electrical consumption greater than 15,000 kWh, or $300,000 if the applicant seeks to serve all eligible retail customers. The bond shall be conditioned upon the full and faithful performance of all duties and obligations of the applicant as an ARES and shall be valid for a period of not less than one year. The cost of the bond shall be paid by the applicant. The applicant shall file a copy of this bond, with a notarized verification page from the issuer, as part of its application for certification.

b) In the event that a license or permit bond is cancelled, expires or is drawn upon, the ARES shall execute and maintain an additional or replacement bond such that the cumulative value of all outstanding bonds never falls below the amount required in subsection (a) of this Section. The ARES shall file a copy of the additional or replacement bond with the Chief Clerk of the Commission and provide a copy to the Financial Analysis Division − ARES or its successor at least 15 days in advance of the effective date of the bond. The filing shall include a cover letter that explains the purpose of the filing and shall be identified by the name of the ARES as it appears in the most recent Commission order granting the ARES certification.

c) In the event that a license or permit bond is modified, the ARES shall file a copy of the modified bond with the Chief Clerk of the Commission and provide a copy of that bond to the Financial Analysis Division − ARES or its successor at least 15 days in advance of the effective date of the modification. The filing shall include a cover letter titled "Part 451 License or Permit Bond" that explains the purpose of the filing and shall be identified by the name of the ARES as it appears in the most recent Commission order granting the ARES certification.

d) The requirements of this Section shall apply to neither electric cooperatives nor municipal systems making an election under Section 17-300 of the Act to become an ARES nor to applicants filing under Section 16-115(e) of the Act.

(Source: Amended at 34 Ill. Reg. 15283, effective September 25, 2010)