

# HB2578



## 100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB2578

by Rep. Brandon W. Phelps

### SYNOPSIS AS INTRODUCED:

20 ILCS 3501/825-65  
20 ILCS 3855/1-10

Amends the Illinois Finance Authority Act. In the definition of "Energy Efficiency Project", includes measures that decrease the heat rate in the generation of electricity. Amends the Illinois Power Agency Act. In the definition of "energy efficiency", includes measures that decrease the heat rate in the generation of electricity.

LRB100 09769 RJF 19938 b

A BILL FOR

1 AN ACT concerning State government.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Illinois Finance Authority Act is amended by  
5 changing Section 825-65 as follows:

6 (20 ILCS 3501/825-65)

7 Sec. 825-65. Clean Coal, Coal, Energy Efficiency, and  
8 Renewable Energy Project Financing.

9 (a) Findings and declaration of policy.

10 (i) It is hereby found and declared that Illinois has  
11 abundant coal resources and, in some areas of Illinois, the  
12 demand for power exceeds the generating capacity.  
13 Incentives to encourage the construction of coal-fueled  
14 electric generating plants in Illinois to ensure power  
15 generating capacity into the future and to advance clean  
16 coal technology and the use of Illinois coal are in the  
17 best interests of all of the citizens of Illinois.

18 (ii) It is further found and declared that Illinois has  
19 abundant potential and resources to develop renewable  
20 energy resource projects and that there are many  
21 opportunities to invest in cost-effective energy  
22 efficiency projects throughout the State. The development  
23 of those projects will create jobs and investment as well

1 as decrease environmental impacts and promote energy  
2 independence in Illinois. Accordingly, the development of  
3 those projects is in the best interests of all of the  
4 citizens of Illinois.

5 (iii) The Authority is authorized to issue bonds to  
6 help finance Clean Coal, Coal, Energy Efficiency, and  
7 Renewable Energy projects pursuant to this Section.

8 (b) Definitions.

9 (i) "Clean Coal Project" means (A) "clean coal  
10 facility", as defined in Section 1-10 of the Illinois Power  
11 Agency Act; (B) "clean coal SNG facility", as defined in  
12 Section 1-10 of the Illinois Power Agency Act; (C)  
13 transmission lines and associated equipment that transfer  
14 electricity from points of supply to points of delivery for  
15 projects described in this subsection (b); (D) pipelines or  
16 other methods to transfer carbon dioxide from the point of  
17 production to the point of storage or sequestration for  
18 projects described in this subsection (b); or (E) projects  
19 to provide carbon abatement technology for existing  
20 generating facilities.

21 (ii) "Coal Project" means new electric generating  
22 facilities or new gasification facilities, as defined in  
23 Section 605-332 of the Department of Commerce and Economic  
24 Opportunity Law of the Civil Administrative Code of  
25 Illinois, which may include mine-mouth power plants,  
26 projects that employ the use of clean coal technology,

1 projects to provide scrubber technology for existing  
2 energy generating plants, or projects to provide electric  
3 transmission facilities or new gasification facilities.

4 (iii) "Energy Efficiency Project" means measures that  
5 reduce the amount of electricity or natural gas required to  
6 achieve a given end use, consistent with Section 1-10 of  
7 the Illinois Power Agency Act. "Energy Efficiency Project"  
8 also includes measures that reduce the total Btus of  
9 electricity and natural gas needed to meet the end use or  
10 uses and measures that decrease the heat rate in the  
11 generation of electricity consistent with Section 1-10 of  
12 the Illinois Power Agency Act.

13 (iv) "Renewable Energy Project" means (A) a project  
14 that uses renewable energy resources, as defined in Section  
15 1-10 of the Illinois Power Agency Act; (B) a project that  
16 uses environmentally preferable technologies and practices  
17 that result in improvements to the production of renewable  
18 fuels, including but not limited to, cellulosic  
19 conversion, water and energy conservation, fractionation,  
20 alternative feedstocks, or reduced greenhouse ~~green-house~~  
21 gas emissions; (C) transmission lines and associated  
22 equipment that transfer electricity from points of supply  
23 to points of delivery for projects described in this  
24 subsection (b); or (D) projects that use technology for the  
25 storage of renewable energy, including, without  
26 limitation, the use of battery or electrochemical storage

1 technology for mobile or stationary applications.

2 (c) Creation of reserve funds. The Authority may establish  
3 and maintain one or more reserve funds to enhance bonds issued  
4 by the Authority for a Clean Coal Project, a Coal Project, an  
5 Energy Efficiency Project, or a Renewable Energy Project. There  
6 may be one or more accounts in these reserve funds in which  
7 there may be deposited:

8 (1) any proceeds of the bonds issued by the Authority  
9 required to be deposited therein by the terms of any  
10 contract between the Authority and its bondholders or any  
11 resolution of the Authority;

12 (2) any other moneys or funds of the Authority that it  
13 may determine to deposit therein from any other source; and

14 (3) any other moneys or funds made available to the  
15 Authority. Subject to the terms of any pledge to the owners  
16 of any bonds, moneys in any reserve fund may be held and  
17 applied to the payment of principal, premium, if any, and  
18 interest of such bonds.

19 (d) Powers and duties. The Authority has the power:

20 (1) To issue bonds in one or more series pursuant to  
21 one or more resolutions of the Authority for any Clean Coal  
22 Project, Coal Project, Energy Efficiency Project, or  
23 Renewable Energy Project authorized under this Section,  
24 within the authorization set forth in subsection (e).

25 (2) To provide for the funding of any reserves or other  
26 funds or accounts deemed necessary by the Authority in

1 connection with any bonds issued by the Authority.

2 (3) To pledge any funds of the Authority or funds made  
3 available to the Authority that may be applied to such  
4 purpose as security for any bonds or any guarantees,  
5 letters of credit, insurance contracts or similar credit  
6 support or liquidity instruments securing the bonds.

7 (4) To enter into agreements or contracts with third  
8 parties, whether public or private, including, without  
9 limitation, the United States of America, the State or any  
10 department or agency thereof, to obtain any  
11 appropriations, grants, loans or guarantees that are  
12 deemed necessary or desirable by the Authority. Any such  
13 guarantee, agreement or contract may contain terms and  
14 provisions necessary or desirable in connection with the  
15 program, subject to the requirements established by the  
16 Act.

17 (5) To exercise such other powers as are necessary or  
18 incidental to the foregoing.

19 (e) Clean Coal Project, Coal Project, Energy Efficiency  
20 Project, and Renewable Energy Project bond authorization and  
21 financing limits. In addition to any other bonds authorized to  
22 be issued under Sections 801-40(w), 825-60, 830-25 and 845-5,  
23 the Authority may have outstanding, at any time, bonds for the  
24 purpose enumerated in this Section 825-65 in an aggregate  
25 principal amount that shall not exceed \$3,000,000,000, subject  
26 to the following limitations: (i) up to \$300,000,000 may be

1 issued to finance projects, as described in clause (C) of  
2 subsection (b) (i) and clause (C) of subsection (b) (iv) of this  
3 Section 825-65; (ii) up to \$500,000,000 may be issued to  
4 finance projects, as described in clauses (D) and (E) of  
5 subsection (b) (i) of this Section 825-65; (iii) up to  
6 \$2,000,000,000 may be issued to finance Clean Coal Projects, as  
7 described in clauses (A) and (B) of subsection (b) (i) of this  
8 Section 825-65 and Coal Projects, as described in subsection  
9 (b) (ii) of this Section 825-65; and (iv) up to \$2,000,000,000  
10 may be issued to finance Energy Efficiency Projects, as  
11 described in subsection (b) (iii) of this Section 825-65 and  
12 Renewable Energy Projects, as described in clauses (A), (B),  
13 and (D) of subsection (b) (iii) of this Section 825-65. An  
14 application for a loan financed from bond proceeds from a  
15 borrower or its affiliates for a Clean Coal Project, a Coal  
16 Project, Energy Efficiency Project, or a Renewable Energy  
17 Project may not be approved by the Authority for an amount in  
18 excess of \$450,000,000 for any borrower or its affiliates. A  
19 Clean Coal Project or Coal Project must be located within the  
20 State. An Energy Efficiency Project may be located within the  
21 State or outside the State, provided that, if the Energy  
22 Efficiency Project is located outside of the State, it must be  
23 owned, operated, leased, or managed by an entity located within  
24 the State or any entity affiliated with an entity located  
25 within the State. These bonds shall not constitute an  
26 indebtedness or obligation of the State of Illinois and it

1 shall be plainly stated on the face of each bond that it does  
2 not constitute an indebtedness or obligation of the State of  
3 Illinois, but is payable solely from the revenues, income or  
4 other assets of the Authority pledged therefor.

5 (f) The bonding authority granted under this Section is in  
6 addition to and not limited by the provisions of Section 845-5.  
7 (Source: P.A. 98-90, eff. 7-15-13; revised 9-8-16.)

8 Section 10. The Illinois Power Agency Act is amended by  
9 changing Section 1-10 as follows:

10 (20 ILCS 3855/1-10)

11 (Text of Section before amendment by P.A. 99-906)

12 Sec. 1-10. Definitions.

13 "Agency" means the Illinois Power Agency.

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

22 "Authority" means the Illinois Finance Authority.

23 "Clean coal facility" means an electric generating  
24 facility that uses primarily coal as a feedstock and that



1 captures and sequesters carbon dioxide emissions at the  
2 following levels: at least 50% of the total carbon dioxide  
3 emissions that the facility would otherwise emit if, at the  
4 time construction commences, the facility is scheduled to  
5 commence operation before 2016, at least 70% of the total  
6 carbon dioxide emissions that the facility would otherwise emit  
7 if, at the time construction commences, the facility is  
8 scheduled to commence operation during 2016 or 2017, and at  
9 least 90% of the total carbon dioxide emissions that the  
10 facility would otherwise emit if, at the time construction  
11 commences, the facility is scheduled to commence operation  
12 after 2017. The power block of the clean coal facility shall  
13 not exceed allowable emission rates for sulfur dioxide,  
14 nitrogen oxides, carbon monoxide, particulates and mercury for  
15 a natural gas-fired combined-cycle facility the same size as  
16 and in the same location as the clean coal facility at the time  
17 the clean coal facility obtains an approved air permit. All  
18 coal used by a clean coal facility shall have high volatile  
19 bituminous rank and greater than 1.7 pounds of sulfur per  
20 million btu content, unless the clean coal facility does not  
21 use gasification technology and was operating as a conventional  
22 coal-fired electric generating facility on June 1, 2009 (the  
23 effective date of Public Act 95-1027).

24 "Clean coal SNG brownfield facility" means a facility that  
25 (1) has commenced construction by July 1, 2015 on an urban  
26 brownfield site in a municipality with at least 1,000,000

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

14 "Clean coal SNG facility" means a facility that uses a  
15 gasification process to produce substitute natural gas, that  
16 sequesters at least 90% of the total carbon dioxide emissions  
17 that the facility would otherwise emit, that uses at least 90%  
18 coal as a feedstock, with all such coal having a high  
19 bituminous rank and greater than 1.7 pounds of sulfur per  
20 million btu content, and that has a valid and effective permit  
21 to construct emission sources and air pollution control  
22 equipment and approval with respect to the federal regulations  
23 for Prevention of Significant Deterioration of Air Quality  
24 (PSD) for the plant pursuant to the federal Clean Air Act;  
25 provided, however, a clean coal SNG brownfield facility shall  
26 not be a clean coal SNG facility.

1 "Commission" means the Illinois Commerce Commission.

2 "Costs incurred in connection with the development and  
3 construction of a facility" means:

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

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

11 (3) all origination, commitment, utilization,  
12 facility, placement, underwriting, syndication, credit  
13 enhancement, and rating agency fees;

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

20 (5) the costs of plans, specifications, site study and  
21 investigation, installation, surveys, other Agency costs  
22 and estimates of costs, and other expenses necessary or  
23 incidental to determining the feasibility of any project,  
24 together with such other expenses as may be necessary or  
25 incidental to the financing, insuring, acquisition, and  
26 construction of a specific project and starting up,

1           commissioning, and placing that project in operation.

2           "Department" means the Department of Commerce and Economic  
3 Opportunity.

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

5           "Demand-response" means measures that decrease peak  
6 electricity demand or shift demand from peak to off-peak  
7 periods.

8           "Distributed renewable energy generation device" means a  
9 device that is:

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

15           (2) interconnected at the distribution system level of  
16 either an electric utility as defined in this Section, an  
17 alternative retail electric supplier as defined in Section  
18 16-102 of the Public Utilities Act, a municipal utility as  
19 defined in Section 3-105 of the Public Utilities Act, or a  
20 rural electric cooperative as defined in Section 3-119 of  
21 the Public Utilities Act;

22           (3) located on the customer side of the customer's  
23 electric meter and is primarily used to offset that  
24 customer's electricity load; and

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

1 "Energy efficiency" means measures that reduce the amount  
2 of electricity or natural gas required to achieve a given end  
3 use. "Energy efficiency" also includes measures that reduce the  
4 total Btus of electricity and natural gas needed to meet the  
5 end use or uses and measures that decrease the heat rate in the  
6 generation of electricity.

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

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

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

17 "Local government" means a unit of local government as  
18 defined in Section 1 of Article VII of the Illinois  
19 Constitution.

20 "Municipality" means a city, village, or incorporated  
21 town.

22 "Person" means any natural person, firm, partnership,  
23 corporation, either domestic or foreign, company, association,  
24 limited liability company, joint stock company, or association  
25 and includes any trustee, receiver, assignee, or personal  
26 representative thereof.

1 "Project" means the planning, bidding, and construction of  
2 a facility.

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

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

11 "Renewable energy credit" means a tradable credit that  
12 represents the environmental attributes of a certain amount of  
13 energy produced from a renewable energy resource.

14 "Renewable energy resources" includes energy and its  
15 associated renewable energy credit or renewable energy credits  
16 from wind, solar thermal energy, photovoltaic cells and panels,  
17 biodiesel, anaerobic digestion, crops and untreated and  
18 unadulterated organic waste biomass, tree waste, hydropower  
19 that does not involve new construction or significant expansion  
20 of hydropower dams, and other alternative sources of  
21 environmentally preferable energy. For purposes of this Act,  
22 landfill gas produced in the State is considered a renewable  
23 energy resource. "Renewable energy resources" does not include  
24 the incineration or burning of tires, garbage, general  
25 household, institutional, and commercial waste, industrial  
26 lunchroom or office waste, landscape waste other than tree

1 waste, railroad crossties, utility poles, or construction or  
2 demolition debris, other than untreated and unadulterated  
3 waste wood.

4 "Revenue bond" means any bond, note, or other evidence of  
5 indebtedness issued by the Authority, the principal and  
6 interest of which is payable solely from revenues or income  
7 derived from any project or activity of the Agency.

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

17 "Sourcing agreement" means (i) in the case of an electric  
18 utility, an agreement between the owner of a clean coal  
19 facility and such electric utility, which agreement shall have  
20 terms and conditions meeting the requirements of paragraph (3)  
21 of subsection (d) of Section 1-75, (ii) in the case of an  
22 alternative retail electric supplier, an agreement between the  
23 owner of a clean coal facility and such alternative retail  
24 electric supplier, which agreement shall have terms and  
25 conditions meeting the requirements of Section 16-115(d)(5) of  
26 the Public Utilities Act, and (iii) in case of a gas utility,

1 an agreement between the owner of a clean coal SNG brownfield  
2 facility and the gas utility, which agreement shall have the  
3 terms and conditions meeting the requirements of subsection  
4 (h-1) of Section 9-220 of the Public Utilities Act.

5 "Substitute natural gas" or "SNG" means a gas manufactured  
6 by gasification of hydrocarbon feedstock, which is  
7 substantially interchangeable in use and distribution with  
8 conventional natural gas.

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



1 would otherwise have had to acquire, reasonable estimates shall  
2 be included of financial costs likely to be imposed by future  
3 regulations and legislation on emissions of greenhouse gases.  
4 (Source: P.A. 97-96, eff. 7-13-11; 97-239, eff. 8-2-11; 97-491,  
5 eff. 8-22-11; 97-616, eff. 10-26-11; 97-813, eff. 7-13-12;  
6 98-90, eff. 7-15-13.)

7 (Text of Section after amendment by P.A. 99-906)

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  
17 project.

18 "Authority" means the Illinois Finance Authority.

19 "Brownfield site photovoltaic project" means photovoltaics  
20 that are:

21 (1) interconnected to an electric utility as defined in  
22 this Section, a municipal utility as defined in this  
23 Section, a public utility as defined in Section 3-105 of  
24 the Public Utilities Act, or an electric cooperative, as  
25 defined in Section 3-119 of the Public Utilities Act; and

1           (2) located at a site that is regulated by any of the  
2 following entities under the following programs:

3           (A) the United States Environmental Protection  
4 Agency under the federal Comprehensive Environmental  
5 Response, Compensation, and Liability Act of 1980, as  
6 amended;

7           (B) the United States Environmental Protection  
8 Agency under the Corrective Action Program of the  
9 federal Resource Conservation and Recovery Act, as  
10 amended;

11           (C) the Illinois Environmental Protection Agency  
12 under the Illinois Site Remediation Program; or

13           (D) the Illinois Environmental Protection Agency  
14 under the Illinois Solid Waste Program.

15           "Clean coal facility" means an electric generating  
16 facility that uses primarily coal as a feedstock and that  
17 captures and sequesters carbon dioxide emissions at the  
18 following levels: at least 50% of the total carbon dioxide  
19 emissions that the facility would otherwise emit if, at the  
20 time construction commences, the facility is scheduled to  
21 commence operation before 2016, at least 70% of the total  
22 carbon dioxide emissions that the facility would otherwise emit  
23 if, at the time construction commences, the facility is  
24 scheduled to commence operation during 2016 or 2017, and at  
25 least 90% of the total carbon dioxide emissions that the  
26 facility would otherwise emit if, at the time construction

1 commences, the facility is scheduled to commence operation  
2 after 2017. The power block of the clean coal facility shall  
3 not exceed allowable emission rates for sulfur dioxide,  
4 nitrogen oxides, carbon monoxide, particulates and mercury for  
5 a natural gas-fired combined-cycle facility the same size as  
6 and in the same location as the clean coal facility at the time  
7 the clean coal facility obtains an approved air permit. All  
8 coal used by a clean coal facility shall have high volatile  
9 bituminous rank and greater than 1.7 pounds of sulfur per  
10 million btu content, unless the clean coal facility does not  
11 use gasification technology and was operating as a conventional  
12 coal-fired electric generating facility on June 1, 2009 (the  
13 effective date of Public Act 95-1027).

14 "Clean coal SNG brownfield facility" means a facility that  
15 (1) has commenced construction by July 1, 2015 on an urban  
16 brownfield site in a municipality with at least 1,000,000  
17 residents; (2) uses a gasification process to produce  
18 substitute natural gas; (3) uses coal as at least 50% of the  
19 total feedstock over the term of any sourcing agreement with a  
20 utility and the remainder of the feedstock may be either  
21 petroleum coke or coal, with all such coal having a high  
22 bituminous rank and greater than 1.7 pounds of sulfur per  
23 million Btu content unless the facility reasonably determines  
24 that it is necessary to use additional petroleum coke to  
25 deliver additional consumer savings, in which case the facility  
26 shall use coal for at least 35% of the total feedstock over the

1 term of any sourcing agreement; and (4) captures and sequesters  
2 at least 85% of the total carbon dioxide emissions that the  
3 facility would otherwise emit.

4 "Clean coal SNG facility" means a facility that uses a  
5 gasification process to produce substitute natural gas, that  
6 sequesters at least 90% of the total carbon dioxide emissions  
7 that the facility would otherwise emit, that uses at least 90%  
8 coal as a feedstock, with all such coal having a high  
9 bituminous rank and greater than 1.7 pounds of sulfur per  
10 million btu content, and that has a valid and effective permit  
11 to construct emission sources and air pollution control  
12 equipment and approval with respect to the federal regulations  
13 for Prevention of Significant Deterioration of Air Quality  
14 (PSD) for the plant pursuant to the federal Clean Air Act;  
15 provided, however, a clean coal SNG brownfield facility shall  
16 not be a clean coal SNG facility.

17 "Commission" means the Illinois Commerce Commission.

18 "Community renewable generation project" means an electric  
19 generating facility that:

20 (1) is powered by wind, solar thermal energy,  
21 photovoltaic cells or panels, biodiesel, crops and  
22 untreated and unadulterated organic waste biomass, tree  
23 waste, and hydropower that does not involve new  
24 construction or significant expansion of hydropower dams;

25 (2) is interconnected at the distribution system level  
26 of an electric utility as defined in this Section, a

1 municipal utility as defined in this Section that owns or  
2 operates electric distribution facilities, a public  
3 utility as defined in Section 3-105 of the Public Utilities  
4 Act, or an electric cooperative, as defined in Section  
5 3-119 of the Public Utilities Act;

6 (3) credits the value of electricity generated by the  
7 facility to the subscribers of the facility; and

8 (4) is limited in nameplate capacity to less than or  
9 equal to 2,000 kilowatts.

10 "Costs incurred in connection with the development and  
11 construction of a facility" means:

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

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

19 (3) all origination, commitment, utilization,  
20 facility, placement, underwriting, syndication, credit  
21 enhancement, and rating agency fees;

22 (4) engineering, design, procurement, consulting,  
23 legal, accounting, title insurance, survey, appraisal,  
24 escrow, trustee, collateral agency, interest rate hedging,  
25 interest rate swap, capitalized interest, contingency, as  
26 required by lenders, and other financing costs, and other

1 expenses for professional services; and

2 (5) the costs of plans, specifications, site study and  
3 investigation, installation, surveys, other Agency costs  
4 and estimates of costs, and other expenses necessary or  
5 incidental to determining the feasibility of any project,  
6 together with such other expenses as may be necessary or  
7 incidental to the financing, insuring, acquisition, and  
8 construction of a specific project and starting up,  
9 commissioning, and placing that project in operation.

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

12 "Delivery year" means the consecutive 12-month period  
13 beginning June 1 of a given year and ending May 31 of the  
14 following year.

15 "Department" means the Department of Commerce and Economic  
16 Opportunity.

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

18 "Demand-response" means measures that decrease peak  
19 electricity demand or shift demand from peak to off-peak  
20 periods.

21 "Distributed renewable energy generation device" means a  
22 device that is:

23 (1) powered by wind, solar thermal energy,  
24 photovoltaic cells or panels, biodiesel, crops and  
25 untreated and unadulterated organic waste biomass, tree  
26 waste, and hydropower that does not involve new

1 construction or significant expansion of hydropower dams;

2 (2) interconnected at the distribution system level of  
3 either an electric utility as defined in this Section, a  
4 municipal utility as defined in this Section that owns or  
5 operates electric distribution facilities, or a rural  
6 electric cooperative as defined in Section 3-119 of the  
7 Public Utilities Act;

8 (3) located on the customer side of the customer's  
9 electric meter and is primarily used to offset that  
10 customer's electricity load; and

11 (4) limited in nameplate capacity to less than or equal  
12 to 2,000 kilowatts.

13 "Energy efficiency" means measures that reduce the amount  
14 of electricity or natural gas consumed in order to achieve a  
15 given end use. "Energy efficiency" includes voltage  
16 optimization measures that optimize the voltage at points on  
17 the electric distribution voltage system and thereby reduce  
18 electricity consumption by electric customers' end use  
19 devices. "Energy efficiency" also includes measures that  
20 reduce the total Btus of electricity, natural gas, and other  
21 fuels needed to meet the end use or uses and measures that  
22 decrease the heat rate in the generation of electricity.

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

25 "Facility" means an electric generating unit or a  
26 co-generating unit that produces electricity along with

1 related equipment necessary to connect the facility to an  
2 electric transmission or distribution system.

3 "Governmental aggregator" means one or more units of local  
4 government that individually or collectively procure  
5 electricity to serve residential retail electrical loads  
6 located within its or their jurisdiction.

7 "Local government" means a unit of local government as  
8 defined in Section 1 of Article VII of the Illinois  
9 Constitution.

10 "Municipality" means a city, village, or incorporated  
11 town.

12 "Municipal utility" means a public utility owned and  
13 operated by any subdivision or municipal corporation of this  
14 State.

15 "Nameplate capacity" means the aggregate inverter  
16 nameplate capacity in kilowatts AC.

17 "Person" means any natural person, firm, partnership,  
18 corporation, either domestic or foreign, company, association,  
19 limited liability company, joint stock company, or association  
20 and includes any trustee, receiver, assignee, or personal  
21 representative thereof.

22 "Project" means the planning, bidding, and construction of  
23 a facility.

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

26 "Real property" means any interest in land together with



1 all structures, fixtures, and improvements thereon, including  
2 lands under water and riparian rights, any easements,  
3 covenants, licenses, leases, rights-of-way, uses, and other  
4 interests, together with any liens, judgments, mortgages, or  
5 other claims or security interests related to real property.

6 "Renewable energy credit" means a tradable credit that  
7 represents the environmental attributes of one megawatt hour of  
8 energy produced from a renewable energy resource.

9 "Renewable energy resources" includes energy and its  
10 associated renewable energy credit or renewable energy credits  
11 from wind, solar thermal energy, photovoltaic cells and panels,  
12 biodiesel, anaerobic digestion, crops and untreated and  
13 unadulterated organic waste biomass, tree waste, and  
14 hydropower that does not involve new construction or  
15 significant expansion of hydropower dams. For purposes of this  
16 Act, landfill gas produced in the State is considered a  
17 renewable energy resource. "Renewable energy resources" does  
18 not include the incineration or burning of tires, garbage,  
19 general household, institutional, and commercial waste,  
20 industrial lunchroom or office waste, landscape waste other  
21 than tree waste, railroad crossties, utility poles, or  
22 construction or demolition debris, other than untreated and  
23 unadulterated waste wood.

24 "Retail customer" has the same definition as found in  
25 Section 16-102 of the Public Utilities Act.

26 "Revenue bond" means any bond, note, or other evidence of

1 indebtedness issued by the Authority, the principal and  
2 interest of which is payable solely from revenues or income  
3 derived from any project or activity of the Agency.

4 "Sequester" means permanent storage of carbon dioxide by  
5 injecting it into a saline aquifer, a depleted gas reservoir,  
6 or an oil reservoir, directly or through an enhanced oil  
7 recovery process that may involve intermediate storage,  
8 regardless of whether these activities are conducted by a clean  
9 coal facility, a clean coal SNG facility, a clean coal SNG  
10 brownfield facility, or a party with which a clean coal  
11 facility, clean coal SNG facility, or clean coal SNG brownfield  
12 facility has contracted for such purposes.

13 "Service area" has the same definition as found in Section  
14 16-102 of the Public Utilities Act.

15 "Sourcing agreement" means (i) in the case of an electric  
16 utility, an agreement between the owner of a clean coal  
17 facility and such electric utility, which agreement shall have  
18 terms and conditions meeting the requirements of paragraph (3)  
19 of subsection (d) of Section 1-75, (ii) in the case of an  
20 alternative retail electric supplier, an agreement between the  
21 owner of a clean coal facility and such alternative retail  
22 electric supplier, which agreement shall have terms and  
23 conditions meeting the requirements of Section 16-115(d)(5) of  
24 the Public Utilities Act, and (iii) in case of a gas utility,  
25 an agreement between the owner of a clean coal SNG brownfield  
26 facility and the gas utility, which agreement shall have the

1 terms and conditions meeting the requirements of subsection  
2 (h-1) of Section 9-220 of the Public Utilities Act.

3 "Subscriber" means a person who (i) takes delivery service  
4 from an electric utility, and (ii) has a subscription of no  
5 less than 200 watts to a community renewable generation project  
6 that is located in the electric utility's service area. No  
7 subscriber's subscriptions may total more than 40% of the  
8 nameplate capacity of an individual community renewable  
9 generation project. Entities that are affiliated by virtue of a  
10 common parent shall not represent multiple subscriptions that  
11 total more than 40% of the nameplate capacity of an individual  
12 community renewable generation project.

13 "Subscription" means an interest in a community renewable  
14 generation project expressed in kilowatts, which is sized  
15 primarily to offset part or all of the subscriber's electricity  
16 usage.

17 "Substitute natural gas" or "SNG" means a gas manufactured  
18 by gasification of hydrocarbon feedstock, which is  
19 substantially interchangeable in use and distribution with  
20 conventional natural gas.

21 "Total resource cost test" or "TRC test" means a standard  
22 that is met if, for an investment in energy efficiency or  
23 demand-response measures, the benefit-cost ratio is greater  
24 than one. The benefit-cost ratio is the ratio of the net  
25 present value of the total benefits of the program to the net  
26 present value of the total costs as calculated over the

1 lifetime of the measures. A total resource cost test compares  
2 the sum of avoided electric utility costs, representing the  
3 benefits that accrue to the system and the participant in the  
4 delivery of those efficiency measures and including avoided  
5 costs associated with reduced use of natural gas or other  
6 fuels, avoided costs associated with reduced water  
7 consumption, and avoided costs associated with reduced  
8 operation and maintenance costs, as well as other quantifiable  
9 societal benefits, to the sum of all incremental costs of  
10 end-use measures that are implemented due to the program  
11 (including both utility and participant contributions), plus  
12 costs to administer, deliver, and evaluate each demand-side  
13 program, to quantify the net savings obtained by substituting  
14 the demand-side program for supply resources. In calculating  
15 avoided costs of power and energy that an electric utility  
16 would otherwise have had to acquire, reasonable estimates shall  
17 be included of financial costs likely to be imposed by future  
18 regulations and legislation on emissions of greenhouse gases.  
19 In discounting future societal costs and benefits for the  
20 purpose of calculating net present values, a societal discount  
21 rate based on actual, long-term Treasury bond yields should be  
22 used. Notwithstanding anything to the contrary, the TRC test  
23 shall not include or take into account a calculation of market  
24 price suppression effects or demand reduction induced price  
25 effects.

26 "Utility-scale solar project" means an electric generating

1 facility that:

2 (1) generates electricity using photovoltaic cells;

3 and

4 (2) has a nameplate capacity that is greater than 2,000  
5 kilowatts.

6 "Utility-scale wind project" means an electric generating  
7 facility that:

8 (1) generates electricity using wind; and

9 (2) has a nameplate capacity that is greater than 2,000  
10 kilowatts.

11 "Zero emission credit" means a tradable credit that  
12 represents the environmental attributes of one megawatt hour of  
13 energy produced from a zero emission facility.

14 "Zero emission facility" means a facility that: (1) is  
15 fueled by nuclear power; and (2) is interconnected with PJM  
16 Interconnection, LLC or the Midcontinent Independent System  
17 Operator, Inc., or their successors.

18 (Source: P.A. 98-90, eff. 7-15-13; 99-906, eff. 6-1-17.)

19 Section 95. No acceleration or delay. Where this Act makes  
20 changes in a statute that is represented in this Act by text  
21 that is not yet or no longer in effect (for example, a Section  
22 represented by multiple versions), the use of that text does  
23 not accelerate or delay the taking effect of (i) the changes  
24 made by this Act or (ii) provisions derived from any other  
25 Public Act.