

1 AN ACT concerning regulation.

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

4 Section 1. Short title. This Act may be cited as the  
5 Pembroke Township Natural Gas Investment Pilot Program Act.

6 Section 5. Definitions. In this Act:

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

9 "Qualifying gas pipeline project" means the construction  
10 or installation of gas equipment used in connection with the  
11 distribution and delivery of natural gas in Pembroke Township.

12 Section 10. Pembroke Township Natural Gas Investment Pilot  
13 Program.

14 (a) The Department shall create the Pembroke Township  
15 Natural Gas Investment Pilot Program for a duration of 5  
16 years. The Program shall provide that the Department shall  
17 distribute grants, subject to appropriation, from moneys in  
18 the Pembroke Township Natural Gas Investment Fund for the  
19 conversion of appliances to be compatible with natural gas.

20 (b) The Department shall adopt rules for the  
21 administration of the Program. At a minimum, the rules shall  
22 require that the applicant for the grants demonstrate that the

1 grants will result in the conversion of necessary equipment to  
2 have the ability to utilize natural gas. The rules shall allow  
3 for conversion grants awarded to residents of Pembroke  
4 Township and to Pembroke Township to provide assistance for  
5 the use of natural gas and shall ensure that the applicant  
6 complies with all other requirements of the rules.

7 (c) A grantee must maintain all records as required by  
8 rule. The records shall be subject to audit by the Department,  
9 by an auditor appointed by the Department, or by a State  
10 officer authorized to conduct audits.

11 (d) Eligible applicants under this Program may include a  
12 nonprofit or community action association that will help the  
13 residents of Pembroke with the convergence of natural gas  
14 services in the residents' homes. Notwithstanding any  
15 provision of law to the contrary, an entity regulated under  
16 the Public Utilities Act may serve as a grantee under this Act.

17 Section 15. Pembroke Township Natural Gas Investment Pilot  
18 Program Fund. The Pembroke Township Natural Gas Investment  
19 Pilot Program Fund is created as a special fund in the State  
20 treasury. Subject to appropriation, all moneys in the Fund  
21 shall be used by the Department to fund grants for qualified  
22 utility infrastructure projects. The Department may accept  
23 private and public funds, including federal funds, for deposit  
24 into the Fund. Earnings attributable to moneys in the Fund  
25 shall be deposited into the Fund.

1           Section 20. Data collection and reporting. The Department  
2 shall collect data regarding the successes and challenges of  
3 the Pembroke Township Natural Gas Investment Pilot Program and  
4 shall submit an annual report to the Governor and the General  
5 Assembly by March 1 of each year beginning in 2022 until the  
6 Pilot Program terminates. The report shall: (i) make a  
7 recommendation as to whether the Pilot Program should  
8 continue; (ii) provide cost estimates, including the average  
9 per person costs; and (iii) recommend ways in which the Pilot  
10 Program can be improved to better address the needs for  
11 natural gas distribution.

12           Section 90. The State Finance Act is amended by adding  
13 Section 5.935 as follows:

14           (30 ILCS 105/5.935 new)

15           Sec. 5.935. The Pembroke Township Natural Gas Investment  
16 Pilot Program Fund.

17           Section 95. The Public Utilities Act is amended by  
18 changing Section 8-406 and by adding Section 8-406.2 as  
19 follows:

20           (220 ILCS 5/8-406) (from Ch. 111 2/3, par. 8-406)

21           Sec. 8-406. Certificate of public convenience and

1 necessity.

2 (a) No public utility not owning any city or village  
3 franchise nor engaged in performing any public service or in  
4 furnishing any product or commodity within this State as of  
5 July 1, 1921 and not possessing a certificate of public  
6 convenience and necessity from the Illinois Commerce  
7 Commission, the State Public Utilities Commission or the  
8 Public Utilities Commission, at the time this amendatory Act  
9 of 1985 goes into effect, shall transact any business in this  
10 State until it shall have obtained a certificate from the  
11 Commission that public convenience and necessity require the  
12 transaction of such business. A certificate of public  
13 convenience and necessity requiring the transaction of public  
14 utility business in any area of this State shall include  
15 authorization to the public utility receiving the certificate  
16 of public convenience and necessity to construct such plant,  
17 equipment, property, or facility as is provided for under the  
18 terms and conditions of its tariff and as is necessary to  
19 provide utility service and carry out the transaction of  
20 public utility business by the public utility in the  
21 designated area.

22 (b) No public utility shall begin the construction of any  
23 new plant, equipment, property or facility which is not in  
24 substitution of any existing plant, equipment, property or  
25 facility or any extension or alteration thereof or in addition  
26 thereto, unless and until it shall have obtained from the

1 Commission a certificate that public convenience and necessity  
2 require such construction. Whenever after a hearing the  
3 Commission determines that any new construction or the  
4 transaction of any business by a public utility will promote  
5 the public convenience and is necessary thereto, it shall have  
6 the power to issue certificates of public convenience and  
7 necessity. The Commission shall determine that proposed  
8 construction will promote the public convenience and necessity  
9 only if the utility demonstrates: (1) that the proposed  
10 construction is necessary to provide adequate, reliable, and  
11 efficient service to its customers and is the least-cost means  
12 of satisfying the service needs of its customers or that the  
13 proposed construction will promote the development of an  
14 effectively competitive electricity market that operates  
15 efficiently, is equitable to all customers, and is the least  
16 cost means of satisfying those objectives; (2) that the  
17 utility is capable of efficiently managing and supervising the  
18 construction process and has taken sufficient action to ensure  
19 adequate and efficient construction and supervision thereof;  
20 and (3) that the utility is capable of financing the proposed  
21 construction without significant adverse financial  
22 consequences for the utility or its customers.

23 (c) After the effective date of this amendatory Act of  
24 1987, no construction shall commence on any new nuclear power  
25 plant to be located within this State, and no certificate of  
26 public convenience and necessity or other authorization shall

1 be issued therefor by the Commission, until the Director of  
2 the Illinois Environmental Protection Agency finds that the  
3 United States Government, through its authorized agency, has  
4 identified and approved a demonstrable technology or means for  
5 the disposal of high level nuclear waste, or until such  
6 construction has been specifically approved by a statute  
7 enacted by the General Assembly.

8 As used in this Section, "high level nuclear waste" means  
9 those aqueous wastes resulting from the operation of the first  
10 cycle of the solvent extraction system or equivalent and the  
11 concentrated wastes of the subsequent extraction cycles or  
12 equivalent in a facility for reprocessing irradiated reactor  
13 fuel and shall include spent fuel assemblies prior to fuel  
14 reprocessing.

15 (d) In making its determination under subsection (b) of  
16 this Section, the Commission shall attach primary weight to  
17 the cost or cost savings to the customers of the utility. The  
18 Commission may consider any or all factors which will or may  
19 affect such cost or cost savings, including the public  
20 utility's engineering judgment regarding the materials used  
21 for construction.

22 (e) The Commission may issue a temporary certificate which  
23 shall remain in force not to exceed one year in cases of  
24 emergency, to assure maintenance of adequate service or to  
25 serve particular customers, without notice or hearing, pending  
26 the determination of an application for a certificate, and may

1 by regulation exempt from the requirements of this Section  
2 temporary acts or operations for which the issuance of a  
3 certificate will not be required in the public interest.

4 A public utility shall not be required to obtain but may  
5 apply for and obtain a certificate of public convenience and  
6 necessity pursuant to this Section with respect to any matter  
7 as to which it has received the authorization or order of the  
8 Commission under the Electric Supplier Act, and any such  
9 authorization or order granted a public utility by the  
10 Commission under that Act shall as between public utilities be  
11 deemed to be, and shall have except as provided in that Act the  
12 same force and effect as, a certificate of public convenience  
13 and necessity issued pursuant to this Section.

14 No electric cooperative shall be made or shall become a  
15 party to or shall be entitled to be heard or to otherwise  
16 appear or participate in any proceeding initiated under this  
17 Section for authorization of power plant construction and as  
18 to matters as to which a remedy is available under The Electric  
19 Supplier Act.

20 (f) Such certificates may be altered or modified by the  
21 Commission, upon its own motion or upon application by the  
22 person or corporation affected. Unless exercised within a  
23 period of 2 years from the grant thereof authority conferred  
24 by a certificate of convenience and necessity issued by the  
25 Commission shall be null and void.

26 No certificate of public convenience and necessity shall

1 be construed as granting a monopoly or an exclusive privilege,  
2 immunity or franchise.

3 (g) A public utility that undertakes any of the actions  
4 described in items (1) through (3) of this subsection (g) or  
5 that has obtained approval pursuant to Section 8-406.1 of this  
6 Act shall not be required to comply with the requirements of  
7 this Section to the extent such requirements otherwise would  
8 apply. For purposes of this Section and Section 8-406.1 of  
9 this Act, "high voltage electric service line" means an  
10 electric line having a design voltage of 100,000 or more. For  
11 purposes of this subsection (g), a public utility may do any of  
12 the following:

13 (1) replace or upgrade any existing high voltage  
14 electric service line and related facilities,  
15 notwithstanding its length;

16 (2) relocate any existing high voltage electric  
17 service line and related facilities, notwithstanding its  
18 length, to accommodate construction or expansion of a  
19 roadway or other transportation infrastructure; or

20 (3) construct a high voltage electric service line and  
21 related facilities that is constructed solely to serve a  
22 single customer's premises or to provide a generator  
23 interconnection to the public utility's transmission  
24 system and that will pass under or over the premises owned  
25 by the customer or generator to be served or under or over  
26 premises for which the customer or generator has secured



1 the necessary right of way.

2 (h) A public utility seeking to construct a high-voltage  
3 electric service line and related facilities (Project) must  
4 show that the utility has held a minimum of 2 pre-filing public  
5 meetings to receive public comment concerning the Project in  
6 each county where the Project is to be located, no earlier than  
7 6 months prior to filing an application for a certificate of  
8 public convenience and necessity from the Commission. Notice  
9 of the public meeting shall be published in a newspaper of  
10 general circulation within the affected county once a week for  
11 3 consecutive weeks, beginning no earlier than one month prior  
12 to the first public meeting. If the Project traverses 2  
13 contiguous counties and where in one county the transmission  
14 line mileage and number of landowners over whose property the  
15 proposed route traverses is one-fifth or less of the  
16 transmission line mileage and number of such landowners of the  
17 other county, then the utility may combine the 2 pre-filing  
18 meetings in the county with the greater transmission line  
19 mileage and affected landowners. All other requirements  
20 regarding pre-filing meetings shall apply in both counties.  
21 Notice of the public meeting, including a description of the  
22 Project, must be provided in writing to the clerk of each  
23 county where the Project is to be located. A representative of  
24 the Commission shall be invited to each pre-filing public  
25 meeting.

26 (i) For applications filed after the effective date of

1 this amendatory Act of the 99th General Assembly, the  
2 Commission shall by registered mail notify each owner of  
3 record of land, as identified in the records of the relevant  
4 county tax assessor, included in the right-of-way over which  
5 the utility seeks in its application to construct a  
6 high-voltage electric line of the time and place scheduled for  
7 the initial hearing on the public utility's application. The  
8 utility shall reimburse the Commission for the cost of the  
9 postage and supplies incurred for mailing the notice.

10 (Source: P.A. 99-399, eff. 8-18-15.)

11 (220 ILCS 5/8-406.2 new)

12 Sec. 8-406.2. Certificate of public convenience and  
13 necessity; extension of utility service area and facilities to  
14 serve designated hardship areas.

15 (a) This Section is intended to provide a mechanism by  
16 which a gas public utility may extend its service territory  
17 and gas distribution system to provide service to designated  
18 low-income areas whose residents do not have access to natural  
19 gas service and must purchase more costly alternatives to  
20 satisfy their energy needs.

21 (b) In this Section:

22 "Designated hardship area" is limited to Pembroke  
23 Township, if the Township meets certain requirements. Any  
24 "designated hardship area" only applies to the specific  
25 community of Pembroke within the scope of the Project.

1 Pembroke Township will only be categorized as a "designated  
2 hardship area" if it meets the following requirements:

3 (1) the area is designated as a qualified census tract  
4 by the U.S. Department of Housing and Urban Development as  
5 published in the most current Federal Register; if the  
6 U.S. Department of Housing and Urban Development ceases to  
7 make this designation, then at least 25% of the households  
8 in the area are at or below the poverty level; and

9 (2) the area is not currently served by a gas utility.

10 "Hardship area facilities" means all gas distribution  
11 system facilities that are proposed to be constructed or  
12 extended and used to serve the designated hardship area,  
13 through and including retail gas meters. "Hardship area  
14 facilities" includes the capacity to address reasonably  
15 foreseeable growth in areas adjacent to or in the vicinity of  
16 the designated hardship area.

17 (c) A gas public utility may apply for a certificate of  
18 public convenience and necessity pursuant to this Section to  
19 increase its gas service territory and extend its gas  
20 distribution system to serve a designated hardship area. An  
21 application under this Section shall include all of the  
22 following:

23 (1) a description of the designated hardship area and  
24 its relationship to the existing gas distribution system  
25 of the applicant;

26 (2) a showing that the designated hardship area meets

1 the criteria for being a designated hardship area under  
2 subsection (b) of this Section;

3 (3) a description of the hardship area facilities  
4 proposed to serve the designated hardship area;

5 (4) a projection of the costs to construct and deploy  
6 the hardship area facilities;

7 (5) a showing that the estimated cost to construct and  
8 deploy the hardship area facilities is equal to or less  
9 than 250% of the amount allowed under the gas utilities'  
10 then current tariffs to provide standard service to extend  
11 main and services; and

12 (6) a statement to confirm that the public utility has  
13 held at least 2 pre-filing public meetings in the  
14 community and considered public input from those meetings  
15 when developing and implementing its plans.

16 (d) The Commission shall, after notice and hearing, grant  
17 a certificate of public convenience and necessity under this  
18 Section if, based upon the application filed with the  
19 Commission and the evidentiary record, the Commission finds  
20 that all of the following criteria are satisfied:

21 (1) the area to be served is a designated hardship  
22 area;

23 (2) the proposed hardship area facilities will provide  
24 adequate, reliable, and efficient gas delivery service to  
25 the customers within the designated hardship area and are  
26 the least-cost means of providing such gas delivery

1 service to these customers;

2 (3) the public utility is capable of efficiently  
3 managing and supervising the construction of the hardship  
4 area facilities and has taken sufficient action to ensure  
5 adequate and efficient construction and supervision of the  
6 construction;

7 (4) the public utility is capable of financing the  
8 construction of the hardship area facilities without  
9 significant adverse financial consequences for the utility  
10 or its customers;

11 (5) the estimated cost to construct and deploy the  
12 hardship area facilities is equal to or less than 250% of  
13 the amount allowed under the gas utilities then current  
14 tariffs to provide standard service to extend main and  
15 services;

16 (6) the public utility can guarantee that residents of  
17 Hopkins Park who choose to opt out of converting to a  
18 natural gas delivery service will not be assessed any  
19 charges relating to the pipeline construction or any other  
20 fees relating to the designated hardship area facilities;

21 (7) the public utility disclosed to the Commission the  
22 mapping of the proposed pipeline and infrastructure  
23 management requirements within the designated hardship  
24 area; and

25 (8) the public utility has guaranteed that, before  
26 implementation, it will disclose to the Commission the

1       cost to the utility for customers of Hopkins Park to  
2       utilize gas services.

3       (e) The Commission shall issue its decision with findings  
4       of fact and conclusions of law granting or denying the  
5       application no later than 120 days after the application is  
6       filed.

7       Section 99. Effective date. This Act takes effect upon  
8       becoming law.