



Sen. Patrick J. Joyce

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10200HB3404sam001

LRB102 13143 SPS 26430 a

1 AMENDMENT TO HOUSE BILL 3404

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 3404 by replacing  
3 everything after the enacting clause with the following:

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

1 years. The Program shall provide that the Department shall  
2 distribute grants, subject to appropriation, from moneys in  
3 the Pembroke Township Natural Gas Investment Fund for the  
4 conversion of appliances to be compatible with natural gas.

5 (b) The Department shall adopt rules for the  
6 administration of the Program. At a minimum, the rules shall  
7 require that the applicant for the grants demonstrate that the  
8 grants will result in the conversion of necessary equipment to  
9 have the ability to utilize natural gas. The rules shall allow  
10 for conversion grants awarded to residents of Pembroke  
11 Township and to Pembroke Township to provide assistance for  
12 the use of natural gas and shall ensure that the applicant  
13 complies with all other requirements of the rules.

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

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

24 Section 15. Pembroke Township Natural Gas Investment Pilot  
25 Program Fund. The Pembroke Township Natural Gas Investment

1 Pilot Program Fund is created as a special fund in the State  
2 treasury. Subject to appropriation, all moneys in the Fund  
3 shall be used by the Department to fund grants for qualified  
4 utility infrastructure projects. The Department may accept  
5 private and public funds, including federal funds, for deposit  
6 into the Fund. Earnings attributable to moneys in the Fund  
7 shall be deposited into the Fund.

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

19 Section 90. The State Finance Act is amended by adding  
20 Section 5.935 as follows:

21 (30 ILCS 105/5.935 new)

22 Sec. 5.935. The Pembroke Township Natural Gas Investment  
23 Pilot Program Fund.

1           Section 95. The Public Utilities Act is amended by  
2 changing Sections 8-406 and by adding Section 8-406.2 as  
3 follows:

4           (220 ILCS 5/8-406) (from Ch. 111 2/3, par. 8-406)

5           Sec. 8-406. Certificate of public convenience and  
6 necessity.

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

1 public utility business by the public utility in the  
2 designated area.

3 (b) No public utility shall begin the construction of any  
4 new plant, equipment, property or facility which is not in  
5 substitution of any existing plant, equipment, property or  
6 facility or any extension or alteration thereof or in addition  
7 thereto, unless and until it shall have obtained from the  
8 Commission a certificate that public convenience and necessity  
9 require such construction. Whenever after a hearing the  
10 Commission determines that any new construction or the  
11 transaction of any business by a public utility will promote  
12 the public convenience and is necessary thereto, it shall have  
13 the power to issue certificates of public convenience and  
14 necessity. The Commission shall determine that proposed  
15 construction will promote the public convenience and necessity  
16 only if the utility demonstrates: (1) that the proposed  
17 construction is necessary to provide adequate, reliable, and  
18 efficient service to its customers and is the least-cost means  
19 of satisfying the service needs of its customers or that the  
20 proposed construction will promote the development of an  
21 effectively competitive electricity market that operates  
22 efficiently, is equitable to all customers, and is the least  
23 cost means of satisfying those objectives; (2) that the  
24 utility is capable of efficiently managing and supervising the  
25 construction process and has taken sufficient action to ensure  
26 adequate and efficient construction and supervision thereof;

1 and (3) that the utility is capable of financing the proposed  
2 construction without significant adverse financial  
3 consequences for the utility or its customers.

4 (c) After the effective date of this amendatory Act of  
5 1987, no construction shall commence on any new nuclear power  
6 plant to be located within this State, and no certificate of  
7 public convenience and necessity or other authorization shall  
8 be issued therefor by the Commission, until the Director of  
9 the Illinois Environmental Protection Agency finds that the  
10 United States Government, through its authorized agency, has  
11 identified and approved a demonstrable technology or means for  
12 the disposal of high level nuclear waste, or until such  
13 construction has been specifically approved by a statute  
14 enacted by the General Assembly.

15 As used in this Section, "high level nuclear waste" means  
16 those aqueous wastes resulting from the operation of the first  
17 cycle of the solvent extraction system or equivalent and the  
18 concentrated wastes of the subsequent extraction cycles or  
19 equivalent in a facility for reprocessing irradiated reactor  
20 fuel and shall include spent fuel assemblies prior to fuel  
21 reprocessing.

22 (d) In making its determination under subsection (b) of  
23 this Section, the Commission shall attach primary weight to  
24 the cost or cost savings to the customers of the utility. The  
25 Commission may consider any or all factors which will or may  
26 affect such cost or cost savings, including the public

1 utility's engineering judgment regarding the materials used  
2 for construction.

3 (e) The Commission may issue a temporary certificate which  
4 shall remain in force not to exceed one year in cases of  
5 emergency, to assure maintenance of adequate service or to  
6 serve particular customers, without notice or hearing, pending  
7 the determination of an application for a certificate, and may  
8 by regulation exempt from the requirements of this Section  
9 temporary acts or operations for which the issuance of a  
10 certificate will not be required in the public interest.

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

21 No electric cooperative shall be made or shall become a  
22 party to or shall be entitled to be heard or to otherwise  
23 appear or participate in any proceeding initiated under this  
24 Section for authorization of power plant construction and as  
25 to matters as to which a remedy is available under The Electric  
26 Supplier Act.

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

7           No certificate of public convenience and necessity shall  
8 be construed as granting a monopoly or an exclusive privilege,  
9 immunity or franchise.

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

20           (1) replace or upgrade any existing high voltage  
21 electric service line and related facilities,  
22 notwithstanding its length;

23           (2) relocate any existing high voltage electric  
24 service line and related facilities, notwithstanding its  
25 length, to accommodate construction or expansion of a  
26 roadway or other transportation infrastructure; or



1           (3) construct a high voltage electric service line and  
2           related facilities that is constructed solely to serve a  
3           single customer's premises or to provide a generator  
4           interconnection to the public utility's transmission  
5           system and that will pass under or over the premises owned  
6           by the customer or generator to be served or under or over  
7           premises for which the customer or generator has secured  
8           the necessary right of way.

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

1 regarding pre-filing meetings shall apply in both counties.  
2 Notice of the public meeting, including a description of the  
3 Project, must be provided in writing to the clerk of each  
4 county where the Project is to be located. A representative of  
5 the Commission shall be invited to each pre-filing public  
6 meeting.

7 (i) For applications filed after the effective date of  
8 this amendatory Act of the 99th General Assembly, the  
9 Commission shall by registered mail notify each owner of  
10 record of land, as identified in the records of the relevant  
11 county tax assessor, included in the right-of-way over which  
12 the utility seeks in its application to construct a  
13 high-voltage electric line of the time and place scheduled for  
14 the initial hearing on the public utility's application. The  
15 utility shall reimburse the Commission for the cost of the  
16 postage and supplies incurred for mailing the notice.

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

18 (220 ILCS 5/8-406.2 new)

19 Sec. 8-406.2. Certificate of public convenience and  
20 necessity; extension of utility service area and facilities to  
21 serve designated hardship areas.

22 (a) This Section is intended to provide a mechanism by  
23 which a gas public utility may extend its service territory  
24 and gas distribution system to provide service to designated  
25 low-income areas whose residents do not have access to natural

1 gas service and must purchase more costly alternatives to  
2 satisfy their energy needs.

3 (b) In this Section:

4 "Designated hardship area" is limited to Pembroke  
5 Township, if the Township meets certain requirements. Any  
6 "designated hardship area" only applies to the specific  
7 community of Pembroke within the scope of the Project.  
8 Pembroke Township will only be categorized as a "designated  
9 hardship area" if it meets the following requirements:

10 (1) the area is designated as a qualified census tract  
11 by the U.S. Department of Housing and Urban Development as  
12 published in the most current Federal Register; if the  
13 U.S. Department of Housing and Urban Development ceases to  
14 make this designation, then at least 25% of the households  
15 in the area are at or below the poverty level; and

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

17 "Hardship area facilities" means all gas distribution  
18 system facilities that are proposed to be constructed or  
19 extended and used to serve the designated hardship area,  
20 through and including retail gas meters. "Hardship area  
21 facilities" includes the capacity to address reasonably  
22 foreseeable growth in areas adjacent to or in the vicinity of  
23 the designated hardship area.

24 (c) A gas public utility may apply for a certificate of  
25 public convenience and necessity pursuant to this Section to  
26 increase its gas service territory and extend its gas

1 distribution system to serve a designated hardship area. An  
2 application under this Section shall include all of the  
3 following:

4 (1) a description of the designated hardship area and  
5 its relationship to the existing gas distribution system  
6 of the applicant;

7 (2) a showing that the designated hardship area meets  
8 the criteria for being a designated hardship area under  
9 subsection (b) of this Section;

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

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

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

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

23 (d) The Commission shall, after notice and hearing, grant  
24 a certificate of public convenience and necessity under this  
25 Section if, based upon the application filed with the  
26 Commission and the evidentiary record, the Commission finds

1 that all of the following criteria are satisfied:

2 (1) the area to be served is a designated hardship  
3 area;

4 (2) the proposed hardship area facilities will provide  
5 adequate, reliable, and efficient gas delivery service to  
6 the customers within the designated hardship area and are  
7 the least-cost means of providing such gas delivery  
8 service to these customers;

9 (3) the public utility is capable of efficiently  
10 managing and supervising the construction of the hardship  
11 area facilities and has taken sufficient action to ensure  
12 adequate and efficient construction and supervision of the  
13 construction;

14 (4) the public utility is capable of financing the  
15 construction of the hardship area facilities without  
16 significant adverse financial consequences for the utility  
17 or its customers;

18 (5) the estimated cost to construct and deploy the  
19 hardship area facilities is equal to or less than 250% of  
20 the amount allowed under the gas utilities then current  
21 tariffs to provide standard service to extend main and  
22 services;

23 (6) the public utility can guarantee that residents of  
24 Hopkins Park who choose to opt out of converting to a  
25 natural gas delivery service will not be assessed any  
26 charges relating to the pipeline construction or any other

1 fees relating to the designated hardship area facilities;

2 (7) the public utility disclosed to the Commission the  
3 mapping of the proposed pipeline and infrastructure  
4 management requirements within the designated hardship  
5 area; and

6 (8) the public utility has guaranteed that, before  
7 implementation, it will disclose to the Commission the  
8 cost to the utility for customers of Hopkins Park to  
9 utilize gas services.

10 (e) The Commission shall issue its decision with findings  
11 of fact and conclusions of law granting or denying the  
12 application no later than 120 days after the application is  
13 filed.

14 Section 99. Effective date. This Act takes effect upon  
15 becoming law.".