

# SB2940



## 102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

SB2940

Introduced 10/19/2021, by Sen. Thomas Cullerton

### SYNOPSIS AS INTRODUCED:

20 ILCS 627/45  
415 ILCS 120/10

Amends the Electric Vehicle Act and the Electric Vehicle Rebate Act. Deletes language providing that "electric vehicle" does not include electric motorcycles. Effective immediately.

LRB102 20854 LNS 29735 b

A BILL FOR

1 AN ACT concerning electric vehicles.

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

4 Section 5. The Electric Vehicle Act is amended by changing  
5 Section 45 as follows:

6 (20 ILCS 627/45)

7 Sec. 45. Beneficial electrification.

8 (a) It is the intent of the General Assembly to decrease  
9 reliance on fossil fuels, reduce pollution from the  
10 transportation sector, increase access to electrification for  
11 all consumers, and ensure that electric vehicle adoption and  
12 increased electricity usage and demand do not place  
13 significant additional burdens on the electric system and  
14 create benefits for Illinois residents.

15 (1) Illinois should increase the adoption of electric  
16 vehicles in the State to 1,000,000 by 2030.

17 (2) Illinois should strive to be the best state in the  
18 nation in which to drive and manufacture electric  
19 vehicles.

20 (3) Widespread adoption of electric vehicles is  
21 necessary to electrify the transportation sector,  
22 diversify the transportation fuel mix, drive economic  
23 development, and protect air quality.

1           (4) Accelerating the adoption of electric vehicles  
2 will drive the decarbonization of Illinois' transportation  
3 sector.

4           (5) Expanded infrastructure investment will help  
5 Illinois more rapidly decarbonize the transportation  
6 sector.

7           (6) Statewide adoption of electric vehicles requires  
8 increasing access to electrification for all consumers.

9           (7) Widespread adoption of electric vehicles requires  
10 increasing public access to charging equipment throughout  
11 Illinois, especially in low-income and environmental  
12 justice communities, where levels of air pollution burden  
13 tend to be higher.

14           (8) Widespread adoption of electric vehicles and  
15 charging equipment has the potential to provide customers  
16 with fuel cost savings and electric utility customers with  
17 cost-saving benefits.

18           (9) Widespread adoption of electric vehicles can  
19 improve an electric utility's electric system efficiency  
20 and operational flexibility, including the ability of the  
21 electric utility to integrate renewable energy resources  
22 and make use of off-peak generation resources that support  
23 the operation of charging equipment.

24           (10) Widespread adoption of electric vehicles should  
25 stimulate innovation, competition, and increased choices  
26 in charging equipment and networks and should also attract

1 private capital investments and create high-quality jobs  
2 in Illinois.

3 (b) As used in this Section:

4 "Agency" means the Environmental Protection Agency.

5 "Beneficial electrification programs" means programs that  
6 lower carbon dioxide emissions, replace fossil fuel use,  
7 create cost savings, improve electric grid operations, reduce  
8 increases to peak demand, improve electric usage load shape,  
9 and align electric usage with times of renewable generation.  
10 All beneficial electrification programs shall provide for  
11 incentives such that customers are induced to use electricity  
12 at times of low overall system usage or at times when  
13 generation from renewable energy sources is high. "Beneficial  
14 electrification programs" include a portfolio of the  
15 following:

16 (1) time-of-use electric rates;

17 (2) hourly pricing electric rates;

18 (3) optimized charging programs or programs that  
19 encourage charging at times beneficial to the electric  
20 grid;

21 (4) optional demand-response programs specifically  
22 related to electrification efforts;

23 (5) incentives for electrification and associated  
24 infrastructure tied to using electricity at off-peak  
25 times;

26 (6) incentives for electrification and associated

1 infrastructure targeted to medium-duty and heavy-duty  
2 vehicles used by transit agencies;

3 (7) incentives for electrification and associated  
4 infrastructure targeted to school buses;

5 (8) incentives for electrification and associated  
6 infrastructure for medium-duty and heavy-duty government  
7 and private fleet vehicles;

8 (9) low-income programs that provide access to  
9 electric vehicles for communities where car ownership or  
10 new car ownership is not common;

11 (10) incentives for electrification in eligible  
12 communities;

13 (11) incentives or programs to enable quicker adoption  
14 of electric vehicles by developing public charging  
15 stations in dense areas, workplaces, and low-income  
16 communities;

17 (12) incentives or programs to develop electric  
18 vehicle infrastructure that minimizes range anxiety,  
19 filling the gaps in deployment, particularly in rural  
20 areas and along highway corridors;

21 (13) incentives to encourage the development of  
22 electrification and renewable energy generation in close  
23 proximity in order to reduce grid congestion;

24 (14) offer support to low-income communities who are  
25 experiencing financial and accessibility barriers such  
26 that electric vehicle ownership is not an option; and

1 (15) other such programs as defined by the Commission.

2 "Black, indigenous, and people of color" or "BIPOC" means  
3 people who are members of the groups described in  
4 subparagraphs (a) through (e) of paragraph (A) of subsection  
5 (1) of Section 2 of the Business Enterprise for Minorities,  
6 Women, and Persons with Disabilities Act.

7 "Commission" means the Illinois Commerce Commission.

8 "Coordinator" means the Electric Vehicle Coordinator.

9 "Electric vehicle" means a vehicle that is exclusively  
10 powered by and refueled by electricity, must be plugged in to  
11 charge, and is licensed to drive on public roadways. "Electric  
12 vehicle" does not include ~~electric motorcycles or~~ hybrid  
13 electric vehicles and extended-range electric vehicles that  
14 are also equipped with conventional fueled propulsion or  
15 auxiliary engines.

16 "Electric vehicle charging station" means a station that  
17 delivers electricity from a source outside an electric vehicle  
18 into one or more electric vehicles.

19 "Environmental justice communities" means the definition  
20 of that term based on existing methodologies and findings,  
21 used and as may be updated by the Illinois Power Agency and its  
22 program administrator in the Illinois Solar for All Program.

23 "Equity investment eligible community" or "eligible  
24 community" means the geographic areas throughout Illinois  
25 which would most benefit from equitable investments by the  
26 State designed to combat discrimination and foster sustainable

1 economic growth. Specifically, "eligible community" means the  
2 following areas:

3 (1) areas where residents have been historically  
4 excluded from economic opportunities, including  
5 opportunities in the energy sector, as defined pursuant to  
6 Section 10-40 of the Cannabis Regulation and Tax Act; and

7 (2) areas where residents have been historically  
8 subject to disproportionate burdens of pollution,  
9 including pollution from the energy sector, as established  
10 by environmental justice communities as defined by the  
11 Illinois Power Agency pursuant to Illinois Power Agency  
12 Act, excluding any racial or ethnic indicators.

13 "Equity investment eligible person" or "eligible person"  
14 means the persons who would most benefit from equitable  
15 investments by the State designed to combat discrimination and  
16 foster sustainable economic growth. Specifically, "eligible  
17 person" means the following people:

18 (1) persons whose primary residence is in an equity  
19 investment eligible community;

20 (2) persons who are graduates of or currently enrolled  
21 in the foster care system; or

22 (3) persons who were formerly incarcerated.

23 "Low-income" means persons and families whose income does  
24 not exceed 80% of the state median income for the current State  
25 fiscal year as established by the U.S. Department of Health  
26 and Human Services.

1 "Make-ready infrastructure" means the electrical and  
2 construction work necessary between the distribution circuit  
3 to the connection point of charging equipment.

4 "Optimized charging programs" mean programs whereby owners  
5 of electric vehicles can set their vehicles to be charged  
6 based on the electric system's current demand, retail or  
7 wholesale market rates, incentives, the carbon or other  
8 pollution intensity of the electric generation mix, the  
9 provision of grid services, efficient use of the electric  
10 grid, or the availability of clean energy generation.  
11 Optimized charging programs may be operated by utilities as  
12 well as third parties.

13 (c) The Commission shall initiate a workshop process no  
14 later than November 30, 2021 for the purpose of soliciting  
15 input on the design of beneficial electrification programs  
16 that the utility shall offer. The workshop shall be  
17 coordinated by the Staff of the Commission, or a facilitator  
18 retained by Staff, and shall be organized and facilitated in a  
19 manner that encourages representation from diverse  
20 stakeholders, including stakeholders representing  
21 environmental justice and low-income communities, and ensures  
22 equitable opportunities for participation, without requiring  
23 formal intervention or representation by an attorney.

24 The stakeholder workshop process shall take into  
25 consideration the benefits of electric vehicle adoption and  
26 barriers to adoption, including:



1           (1) the benefit of lower bills for customers who do  
2 not charge electric vehicles;

3           (2) benefits to the distribution system from electric  
4 vehicle usage;

5           (3) the avoidance and reduction in capacity costs from  
6 optimized charging and off-peak charging;

7           (4) energy price and cost reductions;

8           (5) environmental benefits, including greenhouse gas  
9 emission and other pollution reductions;

10          (6) current barriers to mass-market adoption,  
11 including cost of ownership and availability of charging  
12 stations;

13          (7) current barriers to increasing access among  
14 populations that have limited access to electric vehicle  
15 ownership, communities significantly impacted by  
16 transportation-related pollution, and market segments that  
17 create disproportionate pollution impacts;

18          (8) benefits of and incentives for medium-duty and  
19 heavy-duty fleet vehicle electrification;

20          (9) opportunities for eligible communities to benefit  
21 from electrification;

22          (10) geographic areas and market segments that should  
23 be prioritized for electrification infrastructure  
24 investment.

25          The workshops shall consider barriers, incentives,  
26 enabling rate structures, and other opportunities for the bill

1 reduction and environmental benefits described in this  
2 subsection.

3 The workshop process shall conclude no later than February  
4 28, 2022. Following the workshop, the Staff of the Commission,  
5 or the facilitator retained by the Staff, shall prepare and  
6 submit a report, no later than March 31, 2022, to the  
7 Commission that includes, but is not limited to,  
8 recommendations for transportation electrification investment  
9 or incentives in the following areas:

10 (i) publicly accessible Level 2 and fast-charging  
11 stations, with a focus on bringing access to  
12 transportation electrification in densely populated areas  
13 and workplaces within eligible communities;

14 (ii) medium-duty and heavy-duty charging  
15 infrastructure used by government and private fleet  
16 vehicles that serve or travel through environmental  
17 justice or eligible communities;

18 (iii) medium-duty and heavy-duty charging  
19 infrastructure used in school bus operations, whether  
20 private or public, that primarily serve governmental or  
21 educational institutions, and also serve or travel through  
22 environmental justice or eligible communities;

23 (iv) public transit medium-duty and heavy-duty  
24 charging infrastructure, developed in consultation with  
25 public transportation agencies; and

26 (v) publicly accessible Level 2 and fast-charging

1 stations targeted to fill gaps in deployment, particularly  
2 in rural areas and along State highway corridors.

3 The report must also identify the participants in the  
4 process, program designs proposed during the process,  
5 estimates of the costs and benefits of proposed programs, any  
6 material issues that remained unresolved at the conclusions of  
7 such process, and any recommendations for workshop process  
8 improvements. The report shall be used by the Commission to  
9 inform and evaluate the cost effectiveness and achievement of  
10 goals within the submitted Beneficial Electrification Plans.

11 (d) No later than July 1, 2022, electric utilities serving  
12 greater than 500,000 customers in the State shall file a  
13 Beneficial Electrification Plan with the Illinois Commerce  
14 Commission for programs that start no later than January 1,  
15 2023. The plan shall take into consideration recommendations  
16 from the workshop report described in this Section. Within 45  
17 days after the filing of the Beneficial Electrification Plan,  
18 the Commission shall, with reasonable notice, open an  
19 investigation to consider whether the plan meets the  
20 objectives and contains the information required by this  
21 Section. The Commission shall determine if the proposed plan  
22 is cost-beneficial and in the public interest. When  
23 considering if the plan is in the public interest and  
24 determining appropriate levels of cost recovery for  
25 investments and expenditures related to programs proposed by  
26 an electric utility, the Commission shall consider whether the

1 investments and other expenditures are designed and reasonably  
2 expected to:

3 (1) maximize total energy cost savings and rate  
4 reductions so that nonparticipants can benefit;

5 (2) address environmental justice interests by  
6 ensuring there are significant opportunities for residents  
7 and businesses in eligible communities to directly  
8 participate in and benefit from beneficial electrification  
9 programs;

10 (3) support at least a 40% investment of make-ready  
11 infrastructure incentives to facilitate the rapid  
12 deployment of charging equipment in or serving  
13 environmental justice, low-income, and eligible  
14 communities; however, nothing in this subsection is  
15 intended to require a specific amount of spending in a  
16 particular geographic area;

17 (4) support at least a 5% investment target in  
18 electrifying medium-duty and heavy-duty school bus and  
19 diesel public transportation vehicles located in or  
20 serving environmental justice, low-income, and eligible  
21 communities in order to provide those communities and  
22 businesses with greater economic investment,  
23 transportation opportunities, and a cleaner environment so  
24 they can directly benefit from transportation  
25 electrification efforts; however, nothing in this  
26 subsection is intended to require a specific amount of

1 spending in a particular geographic area;

2 (5) stimulate innovation, competition, private  
3 investment, and increased consumer choices in electric  
4 vehicle charging equipment and networks;

5 (6) contribute to the reduction of carbon emissions  
6 and meeting air quality standards, including improving air  
7 quality in eligible communities who disproportionately  
8 suffer from emissions from the medium-duty and heavy-duty  
9 transportation sector;

10 (7) support the efficient and cost-effective use of  
11 the electric grid in a manner that supports electric  
12 vehicle charging operations; and

13 (8) provide resources to support private investment in  
14 charging equipment for uses in public and private charging  
15 applications, including residential, multi-family, fleet,  
16 transit, community, and corridor applications.

17 The plan shall be determined to be cost-beneficial if the  
18 total cost of beneficial electrification expenditures is less  
19 than the net present value of increased electricity costs  
20 (defined as marginal avoided energy, avoided capacity, and  
21 avoided transmission and distribution system costs) avoided by  
22 programs under the plan, the net present value of reductions  
23 in other customer energy costs, net revenue from all electric  
24 charging in the service territory, and the societal value of  
25 reduced carbon emissions and surface-level pollutants,  
26 particularly in environmental justice communities. The

1 calculation of costs and benefits should be based on net  
2 impacts, including the impact on customer rates.

3 The Commission shall approve, approve with modifications,  
4 or reject the plan within 270 days from the date of filing. The  
5 Commission may approve the plan if it finds that the plan will  
6 achieve the goals described in this Section and contains the  
7 information described in this Section. Proceedings under this  
8 Section shall proceed according to the rules provided by  
9 Article IX of the Public Utilities Act. Information contained  
10 in the approved plan shall be considered part of the record in  
11 any Commission proceeding under Section 16-107.6 of the Public  
12 Utilities Act, provided that a final order has not been  
13 entered prior to the initial filing date. The Beneficial  
14 Electrification Plan shall specifically address, at a minimum,  
15 the following:

16 (i) make-ready investments to facilitate the rapid  
17 deployment of charging equipment throughout the State,  
18 facilitate the electrification of public transit and other  
19 vehicle fleets in the light-duty, medium-duty, and  
20 heavy-duty sectors, and align with Agency-issued rebates  
21 for charging equipment;

22 (ii) the development and implementation of beneficial  
23 electrification programs, including time-of-use rates and  
24 their benefit for electric vehicle users and for all  
25 customers, optimized charging programs to achieve savings  
26 identified, and new contracts and compensation for

1 services in those programs, through signals that allow  
2 electric vehicle charging to respond to local system  
3 conditions, manage critical peak periods, serve as a  
4 demand response or peak resource, and maximize renewable  
5 energy use and integration into the grid;

6 (iii) optional commercial tariffs utilizing  
7 alternatives to traditional demand-based rate structures  
8 to facilitate charging for light duty, heavy duty, and  
9 fleet electric vehicles;

10 (iv) financial and other challenges to electric  
11 vehicle usage in low-income communities, and strategies  
12 for overcoming those challenges, particularly in  
13 communities and for people for whom car ownership is not  
14 an option;

15 (v) methods of minimizing ratepayer impacts and  
16 exempting or minimizing, to the extent possible,  
17 low-income ratepayers from the costs associated with  
18 facilitating the expansion of electric vehicle charging;

19 (vi) plans to increase access to Level 3 Public  
20 Electric Vehicle Charging Infrastructure to serve vehicles  
21 that need quicker charging times and vehicles of persons  
22 who have no other access to charging infrastructure,  
23 regardless of whether those projects participate in  
24 optimized charging programs;

25 (vii) whether to establish charging standards for type  
26 of plugs eligible for investment or incentive programs,

1 and if so, what standards;

2 (viii) opportunities for coordination and cohesion  
3 with electric vehicle and electric vehicle charging  
4 equipment incentives established by any agency,  
5 department, board, or commission of the State, any other  
6 unit of government in the State, any national programs, or  
7 any unit of the federal government;

8 (ix) ideas for the development of online tools,  
9 applications, and data sharing that provide essential  
10 information to those charging electric vehicles, and  
11 enable an automated charging response to price signals,  
12 emission signals, real-time renewable generation  
13 production, and other Commission-approved or  
14 customer-desired indicators of beneficial charging times;  
15 and

16 (x) customer education, outreach, and incentive  
17 programs that increase awareness of the programs and the  
18 benefits of transportation electrification, including  
19 direct outreach to eligible communities;

20 (e) Proceedings under this Section shall proceed according  
21 to the rules provided by Article IX of the Public Utilities  
22 Act. Information contained in the approved plan shall be  
23 considered part of the record in any Commission proceeding  
24 under Section 16-107.6 of the Public Utilities Act, provided  
25 that a final order has not been entered prior to the initial  
26 filing date.



1 (f) The utility shall file an update to the plan on July 1,  
2 2024 and every 3 years thereafter. This update shall describe  
3 transportation investments made during the prior plan period,  
4 investments planned for the following 24 months, and updates  
5 to the information required by this Section. Beginning with  
6 the first update, the utility shall develop the plan in  
7 conjunction with the distribution system planning process  
8 described in Section 16-105.17, including incorporation of  
9 stakeholder feedback from that process.

10 (g) Within 35 days after the utility files its report, the  
11 Commission shall, upon its own initiative, open an  
12 investigation regarding the utility's plan update to  
13 investigate whether the objectives described in this Section  
14 are being achieved. The Commission shall determine whether  
15 investment targets should be increased based on achievement of  
16 spending goals outlined in the Beneficial Electrification Plan  
17 and consistency with outcomes directed in the plan stakeholder  
18 workshop report. If the Commission finds, after notice and  
19 hearing, that the utility's plan is materially deficient, the  
20 Commission shall issue an order requiring the utility to  
21 devise a corrective action plan, subject to Commission  
22 approval, to bring the plan into compliance with the goals of  
23 this Section. The Commission's order shall be entered within  
24 270 days after the utility files its annual report. The  
25 contents of a plan filed under this Section shall be available  
26 for evidence in Commission proceedings. However, omission from

1 an approved plan shall not render any future utility  
2 expenditure to be considered unreasonable or imprudent. The  
3 Commission may, upon sufficient evidence, allow expenditures  
4 that were not part of any particular distribution plan. The  
5 Commission shall consider revenues from electric vehicles in  
6 the utility's service territory in evaluating the retail rate  
7 impact. The retail rate impact from the development of  
8 electric vehicle infrastructure shall not exceed 1% per year  
9 of the total annual revenue requirements of the utility.

10 (h) In meeting the requirements of this Section, the  
11 utility shall demonstrate efforts to increase the use of  
12 contractors and electric vehicle charging station installers  
13 that meet multiple workforce equity actions, including, but  
14 not limited to:

15 (1) the business is headquartered in or the person  
16 resides in an eligible community;

17 (2) the business is majority owned by eligible person  
18 or the contractor is an eligible person;

19 (3) the business or person is certified by another  
20 municipal, State, federal, or other certification for  
21 disadvantaged businesses;

22 (4) the business or person meets the eligibility  
23 criteria for a certification program such as:

24 (A) certified under Section 2 of the Business  
25 Enterprise for Minorities, Women, and Persons with  
26 Disabilities Act;

1 (B) certified by another municipal, State,  
2 federal, or other certification for disadvantaged  
3 businesses;

4 (C) submits an affidavit showing that the vendor  
5 meets the eligibility criteria for a certification  
6 program such as those in items (A) and (B); or

7 (D) if the vendor is a nonprofit, meets any of the  
8 criteria in those in item (A), (B), or (C) with the  
9 exception that the nonprofit is not required to meet  
10 any criteria related to being a for-profit entity, or  
11 is controlled by a board of directors that consists of  
12 51% or greater individuals who are equity investment  
13 eligible persons; or

14 (E) ensuring that program implementation  
15 contractors and electric vehicle charging station  
16 installers pay employees working on electric vehicle  
17 charging installations at or above the prevailing wage  
18 rate as published by the Department of Labor.

19 Utilities shall establish reporting procedures for vendors  
20 that ensure compliance with this subsection, but are  
21 structured to avoid, wherever possible, placing an undue  
22 administrative burden on vendors.

23 (i) Program data collection.

24 (1) In order to ensure that the benefits provided to  
25 Illinois residents and business by the clean energy  
26 economy are equitably distributed across the State, it is

1 necessary to accurately measure the applicants and  
2 recipients of this Program. The purpose of this paragraph  
3 is to require the implementing utilities to collect all  
4 data from Program applicants and beneficiaries to track  
5 and improve equitable distribution of benefits across  
6 Illinois communities. The further purpose is to measure  
7 any potential impact of racial discrimination on the  
8 distribution of benefits and provide the utilities the  
9 information necessary to correct any discrimination  
10 through methods consistent with State and federal law.

11 (2) The implementing utilities shall collect  
12 demographic and geographic data for each applicant and  
13 each person or business awarded benefits or contracts  
14 under this Program.

15 (3) The implementing utilities shall collect the  
16 following information from applicants and Program or  
17 procurement beneficiaries where applicable:

18 (A) demographic information, including racial or  
19 ethnic identity for real persons employed, contracted,  
20 or subcontracted through the program;

21 (B) demographic information, including racial or  
22 ethnic identity of business owners;

23 (C) geographic location of the residency of real  
24 persons or geographic location of the headquarters for  
25 businesses; and

26 (D) any other information necessary for the

1           purpose of achieving the purpose of this paragraph.

2           (4) The utility shall publish, at least annually,  
3 aggregated information on the demographics of program and  
4 procurement applicants and beneficiaries. The utilities  
5 shall protect personal and confidential business  
6 information as necessary.

7           (5) The utilities shall conduct a regular review  
8 process to confirm the accuracy of reported data.

9           (6) On a quarterly basis, utilities shall collect data  
10 necessary to ensure compliance with this Section and shall  
11 communicate progress toward compliance to program  
12 implementation contractors and electric vehicle charging  
13 station installation vendors.

14           (7) Utilities filing Beneficial Electrification Plans  
15 under this Section shall report annually to the Illinois  
16 Commerce Commission and the General Assembly on how  
17 hiring, contracting, job training, and other practices  
18 related to its Beneficial electrification programs enhance  
19 the diversity of vendors working on such programs. These  
20 reports must include data on vendor and employee  
21 diversity.

22           (j) The provisions of this Section are severable under  
23 Section 1.31 of the Statute on Statutes.

24           (Source: P.A. 102-662, eff. 9-15-21.)

25           Section 10. The Electric Vehicle Rebate Act is amended by

1 changing Section 10 as follows:

2 (415 ILCS 120/10)

3 Sec. 10. Definitions. As used in this Act:

4 "Agency" means the Environmental Protection Agency.

5 "Covered Area" means the counties of Cook, DuPage, Kane,  
6 Lake, McHenry, and Will, the townships of Aux Sable and Goose  
7 Lake in Grundy County, and the township of Oswego in Kendall  
8 County.

9 "Electric vehicle" means a vehicle that is exclusively  
10 powered by and refueled by electricity, must be plugged in to  
11 charge, and is licensed to drive on public roadways. "Electric  
12 Vehicle" does not include ~~electric motorcycles, or~~ hybrid  
13 electric vehicles and extended-range electric vehicles that  
14 are also equipped with conventional fueled propulsion or  
15 auxiliary engines.

16 "Environmental justice community" has the same meaning,  
17 based on existing methodologies and findings, used and as may  
18 be updated by the Illinois Power Agency and its Program  
19 Administrator of the Illinois Solar for All Program.

20 "Low income" means persons and families whose income does  
21 not exceed 80% of the State median income for the current State  
22 fiscal year, as established by the United States Department of  
23 Health and Human Services.

24 (Source: P.A. 102-662, eff. 9-15-21.)

25 Section 99. Effective date. This Act takes effect upon

1 becoming law.