

## 103RD GENERAL ASSEMBLY State of Illinois 2023 and 2024 HB3466

Introduced 2/17/2023, by Rep. Tim Ozinga

## SYNOPSIS AS INTRODUCED:

220 ILCS 5/8-406

from Ch. 111 2/3, par. 8-406

Amends the Public Utilities Act. Deletes language that provides that no construction shall commence on any new nuclear power plant to be located within the State, and no certificate of public convenience and necessity or other authorization shall be issued therefor by the Illinois Commerce Commission, until the Director of the Environmental Protection Agency finds that the United States Government, through its authorized agency, has identified and approved a demonstrable technology or means for the disposal of high level nuclear waste, or until such construction has been specifically approved by a statute enacted by the General Assembly. Effective immediately.

LRB103 30103 AMQ 56527 b

1 AN ACT concerning regulation.

## Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- 4 Section 5. The Public Utilities Act is amended by changing
- 5 Section 8-406 as follows:
- 6 (220 ILCS 5/8-406) (from Ch. 111 2/3, par. 8-406)
- Sec. 8-406. Certificate of public convenience and necessity.
- 9 (a) No public utility not owning any city or village franchise nor engaged in performing any public service or in 10 furnishing any product or commodity within this State as of 11 July 1, 1921 and not possessing a certificate of public 12 convenience and necessity from the 13 Illinois Commerce 14 Commission, the State Public Utilities Commission, or the Public Utilities Commission, at the time Public Act 84-617 15 16 goes into effect (January 1, 1986), shall transact any business in this State until it shall have obtained a 17 certificate from the Commission that public convenience and 18 necessity require the transaction of such business. A 19 certificate of public convenience and necessity requiring the 20 21 transaction of public utility business in any area of this 22 State shall include authorization to the public utility receiving the certificate of public convenience and necessity 23

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to construct such plant, equipment, property, or facility as is provided for under the terms and conditions of its tariff and as is necessary to provide utility service and carry out the transaction of public utility business by the public utility in the designated area.

(b) No public utility shall begin the construction of any new plant, equipment, property, or facility which is not in substitution of any existing plant, equipment, property, or facility, or any extension or alteration thereof or in addition thereto, unless and until it shall have obtained from the Commission a certificate that public convenience and necessity require such construction. Whenever after a hearing the Commission determines that any new construction or the transaction of any business by a public utility will promote the public convenience and is necessary thereto, it shall have the power to issue certificates of public convenience and necessity. The Commission shall determine that proposed construction will promote the public convenience and necessity only if the utility demonstrates: (1) that the proposed construction is necessary to provide adequate, reliable, and efficient service to its customers and is the least-cost means of satisfying the service needs of its customers or that the proposed construction will promote the development of an effectively competitive electricity market that operates efficiently, is equitable to all customers, and is the least cost means of satisfying those objectives; (2) that the

utility is capable of efficiently managing and supervising the construction process and has taken sufficient action to ensure adequate and efficient construction and supervision thereof; and (3) that the utility is capable of financing the proposed construction without significant adverse financial consequences for the utility or its customers.

(b-5) As used in this subsection (b-5):

"Qualifying direct current applicant" means an entity that seeks to provide direct current bulk transmission service for the purpose of transporting electric energy in interstate commerce.

"Qualifying direct current project" means a high voltage direct current electric service line that crosses at least one Illinois border, the Illinois portion of which is physically located within the region of the Midcontinent Independent System Operator, Inc., or its successor organization, and runs through the counties of Pike, Scott, Greene, Macoupin, Montgomery, Christian, Shelby, Cumberland, and Clark, is capable of transmitting electricity at voltages of 345 kilovolts or above, and may also include associated interconnected alternating current interconnection facilities in this State that are part of the proposed project and reasonably necessary to connect the project with other portions of the grid.

Notwithstanding any other provision of this Act, a qualifying direct current applicant that does not own,

control, operate, or manage, within this State, any plant, 1 2 equipment, or property used or to be used for the transmission of electricity at the time of its application or of the 3 Commission's order may file an application on or before 5 December 31, 2023 with the Commission pursuant to this Section or Section 8-406.1 for, and the Commission may grant, a 6 7 certificate of public convenience and necessity to construct, 8 operate, and maintain a qualifying direct current project. The 9 qualifying direct current applicant may also include in the 10 application requests for authority under Section 8-503. The 11 Commission shall grant the application for a certificate of 12 public convenience and necessity and requests for authority 13 under Section 8-503 if it finds that the qualifying direct current applicant and the proposed qualifying direct current 14 15 project satisfy the requirements of this subsection and 16 otherwise satisfy the criteria of this Section or Section 17 8-406.1 and the criteria of Section 8-503, as applicable to the application and to the extent such criteria are not 18 19 superseded by the provisions of this subsection. The 20 Commission's order on the application for the certificate of public convenience and necessity shall also include the 21 22 Commission's findings and determinations on the request or 23 requests for authority pursuant to Section 8-503. Prior to filing its application under either this Section or Section 24 25 8-406.1, the qualifying direct current applicant shall conduct 26 3 public meetings in accordance with subsection (h) of this

Ιf qualifying 1 Section. the direct current applicant 2 demonstrates in its application that the proposed qualifying direct current project is designed to deliver electricity to a 3 point or points on the electric transmission grid in either or 5 both the PJM Interconnection, LLC or the Midcontinent Inc., 6 Independent System Operator, or their respective 7 successor organizations, the proposed qualifying 8 current project shall be deemed to be, and the Commission 9 shall find it to be, for public use. If the qualifying direct 10 current applicant further demonstrates in its application that 11 the proposed transmission project has a capacity of 1,000 12 megawatts or larger and a voltage level of 345 kilovolts or 13 greater, the proposed transmission project shall be deemed to 14 satisfy, and the Commission shall find that it satisfies, the criteria stated in item (1) of subsection (b) of this Section 15 16 or in paragraph (1) of subsection (f) of Section 8-406.1, as 17 applicable to the application, without the taking of additional evidence on these criteria. Prior to the transfer 18 of functional control of any transmission assets to a regional 19 20 transmission organization, а qualifying direct 21 applicant shall request Commission approval to join a regional 22 transmission organization in an application filed pursuant to 23 this subsection (b-5) or separately pursuant to Section 7-102 of this Act. The Commission may grant permission to a 24 25 qualifying direct current applicant to join a regional 26 transmission organization if it finds that the membership, and

associated transfer of functional control of transmission assets, benefits Illinois customers in light of the attendant costs and is otherwise in the public interest. Nothing in this subsection (b-5) requires a qualifying direct current applicant to join a regional transmission organization. Nothing in this subsection (b-5) requires the owner or operator of a high voltage direct current transmission line that is not a qualifying direct current project to obtain a certificate of public convenience and necessity to the extent it is not otherwise required by this Section 8-406 or any other provision of this Act.

(c) (Blank). After September 11, 1987 (the effective date of Public Act 85-377), no construction shall commence on any new nuclear power plant to be located within this State, and no certificate of public convenience and necessity or other authorization shall be issued therefor by the Commission, until the Director of the Illinois Environmental Protection Agency finds that the United States Government, through its authorized agency, has identified and approved a demonstrable technology or means for the disposal of high level nuclear waste, or until such construction has been specifically approved by a statute enacted by the General Assembly.

As used in this Section, "high level nuclear waste" means those aqueous wastes resulting from the operation of the first eyele of the solvent extraction system or equivalent and the concentrated wastes of the subsequent extraction cycles or

equivalent in a facility for reprocessing irradiated reactor

fuel and shall include spent fuel assemblies prior to fuel

reprocessing.

- (d) In making its determination under subsection (b) of this Section, the Commission shall attach primary weight to the cost or cost savings to the customers of the utility. The Commission may consider any or all factors which will or may affect such cost or cost savings, including the public utility's engineering judgment regarding the materials used for construction.
- (e) The Commission may issue a temporary certificate which shall remain in force not to exceed one year in cases of emergency, to assure maintenance of adequate service or to serve particular customers, without notice or hearing, pending the determination of an application for a certificate, and may by regulation exempt from the requirements of this Section temporary acts or operations for which the issuance of a certificate will not be required in the public interest.

A public utility shall not be required to obtain but may apply for and obtain a certificate of public convenience and necessity pursuant to this Section with respect to any matter as to which it has received the authorization or order of the Commission under the Electric Supplier Act, and any such authorization or order granted a public utility by the Commission under that Act shall as between public utilities be deemed to be, and shall have except as provided in that Act the

same force and effect as, a certificate of public convenience and necessity issued pursuant to this Section.

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

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

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

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

1 the following:

- (1) replace or upgrade any existing high voltage electric service line and related facilities, notwithstanding its length;
  - (2) relocate any existing high voltage electric service line and related facilities, notwithstanding its length, to accommodate construction or expansion of a roadway or other transportation infrastructure; or
  - (3) construct a high voltage electric service line and related facilities that is constructed solely to serve a single customer's premises or to provide a generator interconnection to the public utility's transmission system and that will pass under or over the premises owned by the customer or generator to be served or under or over premises for which the customer or generator has secured the necessary right of way.
- (h) A public utility seeking to construct a high-voltage electric service line and related facilities (Project) must show that the utility has held a minimum of 2 pre-filing public meetings to receive public comment concerning the Project in each county where the Project is to be located, no earlier than 6 months prior to filing an application for a certificate of public convenience and necessity from the Commission. Notice of the public meeting shall be published in a newspaper of general circulation within the affected county once a week for 3 consecutive weeks, beginning no earlier than one month prior

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to the first public meeting. If the Project traverses 2 1 2 contiguous counties and where in one county the transmission line mileage and number of landowners over whose property the 3 proposed route traverses is one-fifth or less of 5 transmission line mileage and number of such landowners of the other county, then the utility may combine the 2 pre-filing 6 meetings in the county with the greater transmission line 7 8 mileage and affected landowners. All other requirements 9 regarding pre-filing meetings shall apply in both counties. 10 Notice of the public meeting, including a description of the 11 Project, must be provided in writing to the clerk of each 12 county where the Project is to be located. A representative of 13 the Commission shall be invited to each pre-filing public 14 meetina.

- (i) For applications filed after August 18, 2015 (the effective date of Public Act 99-399), the Commission shall, by certified mail, notify each owner of record of land, as identified in the records of the relevant county tax assessor, included in the right-of-way over which the utility seeks in its application to construct a high-voltage electric line of the time and place scheduled for the initial hearing on the public utility's application. The utility shall reimburse the Commission for the cost of the postage and supplies incurred for mailing the notice.
- 25 (Source: P.A. 102-609, eff. 8-27-21; 102-662, eff. 9-15-21;
- 26 102-813, eff. 5-13-22; 102-931, eff. 5-27-22.)

- 1 Section 99. Effective date. This Act takes effect upon
- 2 becoming law.