



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB5234

Introduced 2/9/2024, by Rep. Lawrence "Larry" Walsh, Jr.

SYNOPSIS AS INTRODUCED:

220 ILCS 5/Art. XXIII heading new
220 ILCS 5/23-100 new
220 ILCS 5/23-105 new

Creates the Transmission Efficiency and Cooperation Law within the Public Utilities Act. Provides that an incumbent electric transmission owner has the right to construct, own, and maintain an electric transmission line approved in a transmission plan that will connect to facilities that are owned by that incumbent electric transmission owner and that are or will be under the functional control of a regional transmission operator. Specifies that the right to construct, own, and maintain such an electric transmission line belongs individually and proportionally to each incumbent electric transmission owner, unless otherwise agreed upon in writing. Provides that proportionality shall be determined based on the location of the electric transmission line relative to each incumbent electric transmission owner's retail service territory. Authorizes an incumbent electric transmission owner to assign its right to construct, own, and maintain an electric transmission line to a transmission affiliate. Provides that an owner may notify the Illinois Commerce Commission that it will not construct any or all of the electric transmission line, and the Commission may grant permission and approval for the construction to another entity. Effective immediately.

LRB103 37941 CES 69614 b

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 5. The Public Utilities Act is amended by adding
5 Article XXIII as follows:

6 (220 ILCS 5/Art. XXIII heading new)

7 ARTICLE XXIII. TRANSMISSION EFFICIENCY AND COOPERATION LAW

8 (220 ILCS 5/23-100 new)

9 Sec. 23-100. Short title. This Article may be cited as the
10 Transmission Efficiency and Cooperation Law.

11 (220 ILCS 5/23-105 new)

12 Sec. 23-105. Incumbent electric transmission line owner
13 rights.

14 (a) As used in this Section:

15 "Electric transmission line" means a transmission line
16 that is designed and constructed with the capability of being
17 safely and reliably energized at 100 kilovolts or more and its
18 associated transmission facilities, including transmission
19 substations. "Electric transmission line" does not include
20 electric transmission lines located on an electric generating
21 facility's side of the facility's point of interconnection

1 with an incumbent electric transmission line owner.

2 "Incumbent electric transmission owner" means any public
3 utility, municipal corporation, or electric cooperative that
4 owns, operates, and maintains at least one electric
5 transmission line in this State.

6 "Regional transmission operator" means a regional
7 transmission organization, independent system operator, or
8 equivalent entity approved by the Federal Energy Regulatory
9 Commission, or its successor agency, that exercises functional
10 control over electric transmission lines located in this
11 State.

12 "Transmission affiliate" means any company that (i) has
13 been issued a certificate of public convenience and necessity
14 in Illinois authorizing it to own and operate an electric
15 transmission line and (ii) is an Illinois electric utility as
16 defined in Section 16-102 or an affiliate of it through a
17 common ownership structure.

18 "Transmission plan" means a transmission plan adopted by a
19 regional transmission operator.

20 (b) An incumbent electric transmission owner has the right
21 to construct, own, and maintain an electric transmission line
22 that has been approved for construction in a transmission plan
23 and that will connect to facilities that are owned by that
24 incumbent electric transmission owner and are or will be, once
25 construction is completed, under the functional control of a
26 regional transmission operator. The right to construct, own,

1 and maintain such an electric transmission line that will
2 connect to facilities owned by 2 or more incumbent electric
3 transmission owners belongs individually and proportionally to
4 each incumbent electric transmission owner, unless otherwise
5 agreed upon in writing. Proportionality shall be determined
6 based on the location of the electric transmission line
7 relative to each incumbent electric transmission owner's
8 retail service territory. An incumbent electric transmission
9 owner shall be permitted to assign its right to construct,
10 own, and maintain an electric transmission line to a
11 transmission affiliate.

12 (c) Nothing in this Section limits the right of any
13 incumbent electric transmission owner to construct, own, and
14 maintain any transmission equipment or facilities that have a
15 capacity of less than 100 kilovolts or of any entity otherwise
16 qualified under this Act to own, operate, and maintain
17 electric transmission facilities that are not approved for
18 construction in a transmission plan or that will not connect
19 to facilities under the functional control of a regional
20 transmission operator.

21 (d) Nothing in this Section shall be construed to impair,
22 abridge, or diminish in any way the powers, rights, and
23 privileges of municipal corporations that are not incumbent
24 electric transmission owners to partner with an incumbent
25 electric transmission owner on the development and ownership
26 of an electric transmission line included in a transmission

1 plan or to develop, construct, own, operate, maintain,
2 upgrade, and renew facilities that are not included in a
3 transmission plan but that are necessary or convenient in the
4 provision of electric service, directly or indirectly, to
5 citizens and businesses located in the service areas of
6 municipal systems as that term is defined in Section 17 100,
7 including the rights of such municipal systems and of
8 municipal power agencies as defined in Section 11-119.1-3 of
9 the Illinois Municipal Code to develop, construct, own,
10 operate, maintain, upgrade, and renew such electric
11 transmission lines and related facilities.

12 (e) Nothing in this Section shall relieve an incumbent
13 electric transmission owner asserting its right to construct
14 an electric transmission line, or its transmission affiliate
15 as applicable, of the requirement to file an application for a
16 certificate of convenience and necessity to the extent
17 otherwise required by this Act.

18 (f) Within 90 days after the later of the effective date of
19 this amendatory Act of the 103rd General Assembly or approval
20 of the construction of an electric transmission line by a
21 regional transmission operator, an incumbent electric
22 transmission owner otherwise authorized to engage in the
23 construction under this Section may provide notice to the
24 Commission and the applicable regional transmission operator
25 indicating it will not construct any or all of the electric
26 transmission line so approved, or it will assign any or all of

1 the construction to a transmission affiliate. If the notice is
2 given and indicates the notifying incumbent electric
3 transmission owner or its transmission affiliate will not
4 construct any or all of the electric transmission line so
5 approved, the incumbent electric transmission owner shall
6 indicate the reason for that election, and the Commission may
7 grant permission and approval for such construction to another
8 entity otherwise qualified to own and operate the electric
9 transmission line under this Act.

10 Section 99. Effective date. This Act takes effect upon
11 becoming law.