



93RD GENERAL ASSEMBLY

State of Illinois

2003 and 2004

Introduced 02/05/04, by Lou Lang

SYNOPSIS AS INTRODUCED:

220 ILCS 5/18-102

Amends the Public Utilities Act. Makes a technical change in a Section concerning definitions relating to transitional funding for electric utilities.

LRB093 15621 AMC 41229 b

1 AN ACT concerning public utilities.

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 changing
5 Section 18-102 as follows:

6 (220 ILCS 5/18-102)

7 Sec. 18-102. Definitions. For the purposes of this Article
8 the following terms shall be defined as set forth in this
9 Section. When used in this Article, terms defined in Article
10 XVI shall have the same meanings in this Article.

11 "Assignee" means any party, other than an electric utility
12 or grantee, to which an interest in intangible transition
13 property shall have been assigned, sold or transferred. The
14 term "assignee" includes any corporation, public authority,
15 trust, financing vehicle, partnership, limited liability
16 company or other entity.

17 "Grantee" means any party, other than an electric utility
18 or an assignee which acquires its interest from an electric
19 utility, to whom or for whose benefit the Commission shall
20 create, establish and grant rights in, to and under intangible
21 transition property. The term "grantee" includes any
22 corporation, public authority, trust, financing vehicle,
23 partnership, limited liability company or other entity.

24 "Grantee instruments" means (a) any instruments,
25 documents, notes, debentures, bonds or other evidences of
26 indebtedness evidencing any contractual right to receive the
27 payment of money from a grantee or (b) any certificates of
28 participation, certificates of beneficial interest or other
29 instruments evidencing a beneficial or ownership interest in a
30 grantee or in intangible transition property of such grantee
31 which are (i) issued (A) by or on behalf of a grantee pursuant
32 to a transitional funding order and (B) pursuant to an executed

1 indenture, pooling agreement, security agreement or other
2 similar agreement of such grantee creating a security interest,
3 ownership interest or other beneficial interest in intangible
4 transition property and (ii) payable solely from proceeds of
5 intangible transition property, including amounts received
6 with respect to the related instrument funding charges.

7 "Holder" means any holder of transitional funding
8 instruments, including a trustee, collateral agent, nominee or
9 other such party acting for the benefit of such a holder.

10 "Instrument funding charge" means a non-bypassable charge
11 expressed in cents per kilowatt-hour authorized in a
12 transitional funding order to be applied and invoiced to each
13 retail customer, class of retail customers of an electric
14 utility or other person or group of persons obligated to pay
15 any base rates, transition charges or other rates for tariffed
16 services from which such instrument funding charge has been
17 deducted and stated separately pursuant to subsection (j) of
18 Section 18-104.

19 "Intangible transition property" means the right, title,
20 and interest of an electric utility or grantee or assignee
21 arising pursuant to a transitional funding order to impose and
22 receive instrument funding charges, and all related revenues,
23 collections, claims, payments, money, or proceeds thereof,
24 including all right, title, and interest of an electric
25 utility, grantee or assignee in, to, under and pursuant to such
26 transitional funding order, whether or not such intangible
27 transition property described above is characterized on the
28 books of the electric utility as a regulatory asset or as a
29 cost incurred by the electric utility or otherwise. Intangible
30 transition property shall arise and exist only when, as, and to
31 the extent that instrument funding charges are authorized in a
32 transitional funding order that has become effective in
33 accordance with this Article and shall thereafter continuously
34 exist to the extent provided in the order.

35 "Issuer" means any party, other than an electric utility,
36 which has issued transitional funding instruments. The term

1 "issuer" includes any corporation, public authority, trust,
2 financing vehicle, partnership, limited liability company or
3 other entity.

4 "Transitional funding instruments" means any instruments,
5 pass-through certificates, notes, debentures, certificates of
6 participation, bonds, certificates of beneficial interest or
7 other evidences of indebtedness or instruments evidencing a
8 beneficial interest (i) which are issued by or on behalf of an
9 electric utility or issuer pursuant to a transitional funding
10 order, (ii) which are issued pursuant to an executed indenture,
11 pooling agreement, security agreement or other similar
12 agreement of an electric utility or issuer creating a security
13 interest, ownership interest or other beneficial interest in
14 intangible transition property or grantee instruments, if any,
15 and (iii) the proceeds of which are to be used for the purposes
16 set forth in subparagraph (1) of subsection (d) of Section
17 18-103 of this Article.

18 "Transitional funding order" means an order of the
19 Commission issued in accordance with the provisions of this
20 Article creating and establishing intangible transition
21 property and the rights of any party therein and approving the
22 sale, pledge, assignment or other transfer of intangible
23 transition property and grantee instruments, if any, the
24 issuance of transitional funding instruments and grantee
25 instruments, if any, and the imposition and collection of
26 instrument funding charges.

27 (Source: P.A. 90-561, eff. 12-16-97.)