

1 AMENDMENT TO SENATE BILL 431

2 AMENDMENT NO. _____. Amend Senate Bill 431 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Public Utilities Act is amended by
5 adding Section 8-405.5 as follows:

6 (220 ILCS 5/8-405.5 new)

7 Sec. 8-405.5. Renewable energy resources.

8 (a) It is the intent of the legislature that by January
9 1, 2010, an additional 2,000 megawatts of generating capacity
10 from renewable energy technologies will have been installed
11 in this State. The cumulative installed renewable capacity
12 in this State shall total 1,280 megawatts by January 1, 2005;
13 1,730 megawatts by January 1, 2006; 2,280 megawatts by
14 January 1, 2007; and 2,880 megawatts by January 1, 2008.

15 (b) The Commission shall establish a renewable energy
16 credits trading program. Any retail electric provider that
17 does not satisfy the requirements of subsection (a) by
18 directly owning or purchasing capacity using renewable energy
19 technologies shall purchase sufficient renewable energy
20 credits to satisfy the requirements by holding renewable
21 energy credits in lieu of capacity from renewable energy
22 technologies.

1 (c) Not later than January 1, 2004, the Commission shall
2 adopt rules necessary to administer and enforce this Section.
3 At a minimum, the rules shall:

4 (1) establish the minimum annual renewable energy
5 requirement for each retail electric provider operating
6 in this State in a manner reasonably calculated by the
7 Commission to produce, on a statewide basis, compliance
8 with the requirement prescribed by subsection (a); and

9 (2) specify reasonable performance standards that
10 all renewable capacity additions must meet to count
11 against the requirement prescribed by subsection (a) and
12 that:

13 (A) are designed and operated so as to
14 maximize the energy output from the capacity
15 additions in accordance with then-current industry
16 standards;

17 (B) encourage the development, construction,
18 and operation of new renewable energy projects at
19 those sites in this State that have the greatest
20 economic potential for capture and development of
21 this State's environmentally beneficial renewable
22 resource; and

23 (C) allow the retail electric provider to
24 include the reasonable cost of the renewable energy
25 credits in its rate base; and

26 (3) provide a mechanism whereby a retail electric
27 provider can acquire renewable energy credits as follows:

28 (A) the seller of the credits is a power
29 generation facility that has agreed to shutdown, or
30 remain shutdown, and has been certified by the
31 Illinois Environmental Protection Agency as
32 environmentally undesirable;

33 (B) the credits are equivalent to the total
34 amount of energy the power generation facility would

1 have generated through the end of its expected
2 useful life;

3 (C) the seller and retail electric provider
4 may agree to a lump sum purchase price equal to the
5 net present value of the credits over the expected
6 useful life of the power generation facility; and

7 (D) the retail electric provider is permitted
8 to include the reasonable cost of the credits,
9 including any lump sum payment, in its rate base.

10 (d) In this Section, "renewable energy technology" means
11 any technology that exclusively relies on an energy source
12 that is naturally regenerated over a short time and is
13 derived directly from the sun, indirectly from the sun, or
14 from moving water or other natural movements and mechanisms
15 of the environment. Renewable energy technologies include
16 those that rely on energy derived directly from the sun, on
17 wind, geothermal, hydroelectric, wave, or tidal energy, or on
18 biomass or biomass-based waste products, including landfill
19 gas. A renewable energy technology does not rely on energy
20 resources derived from fossil fuels, waste products from
21 fossil fuels, or waste products from inorganic sources.

22 Section 99. Effective date. This Act takes effect upon
23 becoming law."