



Sen. Denny Jacobs

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LRB093 20790 RXD 48871 a

1 AMENDMENT TO SENATE BILL 2525

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 2525 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Public Utilities Act is amended by adding  
5 Section 7-210 as follows:

6 (220 ILCS 5/7-210 new)

7 Sec. 7-210. Commission oversight of nonpublic, unregulated  
8 sales at retail of natural gas by public utilities.

9 (a) This Section shall apply to any gas utility that served  
10 more than 60,000 gas customers but less than 75,000 gas  
11 customers in this State on January 1, 2000 and that provides  
12 competitive electric power and energy to electric delivery  
13 service customers through a business division of its electric  
14 utility pursuant to Section 16-116. For the purposes of this  
15 Section, terms shall have the same meaning as defined in  
16 Section 7-108, Article XVI, and Article XIX.

17 (b) After the effective date of this amendatory Act of the  
18 93rd General Assembly, unregulated sales of natural gas by a  
19 gas utility within or outside its service area shall be subject  
20 to the provisions of this Section. This Section shall not be  
21 interpreted to invalidate any contract for unregulated sales of  
22 natural gas executed by a gas utility prior to the effective  
23 date of this amendatory Act of the 93rd General Assembly, but  
24 unregulated sales of natural gas pursuant to such contract

1 after the effective date of this amendatory Act of the 93rd  
2 General Assembly shall be subject to the provisions of this  
3 Section.

4 (c) A gas utility offering unregulated sales of natural gas  
5 to an end-use customer within or outside its service area shall  
6 be subject to Sections 7-102(g), 7-205, 7-206, and 9-230 with  
7 respect to such sales.

8 (d) Notwithstanding any language of Article XIX to the  
9 contrary, a gas utility offering unregulated sales of natural  
10 gas to a residential customer or a small commercial customer  
11 within or outside its service area shall be subject to Sections  
12 19-110(e) (2), 19-110(e) (3), 19-110(e) (5), 19-115, and 19-120.

13 (e) A gas utility offering unregulated sales of natural gas  
14 to an end-use customer within or outside its service area shall  
15 not subsidize such sales through the utility's regulated  
16 business. Costs and revenues from the gas utility's unregulated  
17 sales of gas to an end-use customer within or outside its  
18 service area shall not be included in the calculation of the  
19 utility's regulated gas rates and charges.

20 (f) A gas utility offering unregulated sales of natural gas  
21 to an end-use customer within or outside its service area shall  
22 not discriminate in the provision of regulated gas service  
23 based upon the existence or terms of an unregulated sale of  
24 natural gas.

25 (g) The Commission shall require a gas utility to file  
26 reports regarding its unregulated sales of natural gas in the  
27 State. The reports shall be treated as confidential documents.  
28 To the extent the Commission determines it to be necessary and  
29 in the public interest, the Commission may order an audit of a  
30 gas utility regarding its unregulated sales of natural gas in  
31 the State.

32 (h) The Commission shall have the authority to require the  
33 gas utility to file its contracts for unregulated sales of  
34 natural gas in the State. The contracts shall be treated as

1 confidential documents.

2 (i) Within 120 days after the effective date of this  
3 amendatory Act of the 93rd General Assembly, the Commission  
4 shall adopt provisions requiring functional separation between  
5 a gas utility's unregulated retail sales of natural gas in the  
6 State and its regulated retail gas services in the State. In  
7 establishing or considering the functional separations  
8 provisions, the Commission shall take into account the effects  
9 on the cost and reliability of service and the obligation of  
10 the gas utility under the Act. The Commission shall adopt  
11 separations provisions that are a cost effective means to  
12 ensure compliance with this Section. The provisions adopted by  
13 the Commission shall permit a gas utility to offer unregulated  
14 retail sales of natural gas in the State through the same  
15 business division of the utility that offers competitive  
16 electric power and energy to electric delivery service  
17 customers. Until provisions are adopted by the Commission, the  
18 gas utility shall comply with the functional separations rules  
19 for electric utilities adopted pursuant to Section 16-119A, to  
20 the extent determined applicable by the Commission through  
21 emergency rules established within 60 days of the passage of  
22 this Act.

23 (j) A gas utility shall not release or assign gas storage  
24 capacity procured for its regulated Illinois retail customers  
25 to its business division offering unregulated retail sales of  
26 natural gas or allow such storage capacity to be managed by  
27 that business division.

28 (k) Except as approved by the Commission, a gas utility  
29 shall not use gas commodity or interstate pipeline services for  
30 unregulated retail sales of natural gas in the State if such  
31 commodity or service was procured for its regulated Illinois  
32 retail customers.

33 (l) In addition to any other remedy provided in the Act,  
34 the Commission may order a gas utility to cease offering

1 unregulated retail sales of natural gas in the State if it  
2 finds, after notice and hearing, that the gas utility willfully  
3 violated this Section.

4 (m) This Section shall not be applicable to unregulated  
5 sales of natural gas by an affiliate of a gas utility. Nothing  
6 herein shall be construed as impacting the applicability of  
7 other Sections of the Act to the unregulated sale of natural  
8 gas by an affiliate."