



Electric Utility Oversight Committee

Filed: 2/22/2007

09500HB0351ham001

LRB095 05290 MJR 31762 a

1 AMENDMENT TO HOUSE BILL 351

2 AMENDMENT NO. _____. Amend House Bill 351 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Public Utilities Act is amended by adding
5 Section 17-800 as follows:

6 (220 ILCS 5/17-800 new)

7 Sec. 17-800. Aggregation of electrical load by
8 municipalities and counties. The corporate authorities of a
9 municipality or county board of a county may adopt an
10 ordinance, under which it may aggregate in accordance with this
11 Section residential retail electrical loads located,
12 respectively, within the municipality or county and, for that
13 purpose, may solicit bids and enter into service agreements to
14 facilitate for those loads the sale and purchase of electricity
15 and related services and equipment. The corporate authorities
16 or county board also may exercise such authority jointly with

1 any other municipality or county. An ordinance under this
2 Section shall specify whether the aggregation will occur only
3 with the prior consent of each person owning, occupying,
4 controlling, or using an electric load center proposed to be
5 aggregated. Nothing in this Section, however, authorizes the
6 aggregation of electric loads that are served or authorized to
7 be served by an electric cooperative as defined by and pursuant
8 to the Electric Supplier Act or loads served by a municipality
9 that owns and operates its own electric distribution system. No
10 aggregation pursuant to an ordinance adopted under this Section
11 that provides for an election under this Section shall take
12 effect unless approved by a majority of the electors voting
13 upon the ordinance at the election held pursuant to this
14 Section.

15 A governmental aggregator under this Section is not a
16 public utility or an alternative retail electric supplier and
17 shall be subject to supervision and regulation by the
18 Commission only to the extent provided in this Section.

19 A municipality may initiate a process to authorize
20 aggregation by a majority vote of the municipal council, with
21 the approval of the mayor. A county may initiate the process to
22 authorize aggregation by a majority vote of the county board.
23 Two or more municipalities or counties, or a combination of
24 both, may initiate a process jointly to authorize aggregation
25 by a majority vote of each particular municipality or county as
26 herein required.

1 Upon the applicable requisite authority under this
2 Section, the corporate authorities or the county board shall
3 develop a plan of operation and governance for the aggregation
4 program so authorized. Before adopting a plan under this
5 Section, the corporate authorities or county board shall hold
6 at least 2 public hearings on the plan. Before the first
7 hearing, the corporate authorities or county board shall
8 publish notice of the hearings once a week for 2 consecutive
9 weeks in a newspaper of general circulation in the
10 jurisdiction. The notice shall summarize the plan and state the
11 date, time, and location of each hearing. Any load aggregation
12 plan established pursuant to this Section shall:

13 (1) provide for universal access to all applicable
14 residential customers and equitable treatment of
15 applicable residential customers;

16 (2) describe demand management and energy efficiency
17 services to be provided to each class of customers; and

18 (3) meet any requirements established by law or the
19 Commission concerning aggregated service offered pursuant
20 to this Section.

21 The plan shall be filed with the Commission for review and
22 approval and shall include, without limitation, an
23 organizational structure of the program, its operations, and
24 funding; the methods of establishing rates and allocating costs
25 among participants; the methods for entering and terminating
26 agreements with other entities; the rights and

1 responsibilities of program participants; and procedures for
2 termination of the program. Within 120 days after receipt of
3 the plan, the Commission shall issue an order either approving
4 or rejecting the plan. If the Commission rejects the plan, it
5 shall state detailed reasons for rejecting the plan in its
6 order. Upon approval of the plan, the corporate authorities or
7 county board may solicit bids for electricity and other related
8 services pursuant to the methods established in the plan. The
9 corporate authorities or county board shall report the results
10 of this solicitation and proposed agreement awards to the
11 Commission, which shall have 15 business days to suspend such
12 awards if the solicitation or awards are not in conformance
13 with the plan or if the cost for energy would in the first year
14 exceed the cost of that energy if that energy was obtained from
15 an electric utility under Section 16-103 of this Act by
16 citizens in the municipality or county or group of
17 municipalities and counties, unless the applicant can
18 demonstrate that the cost for energy under the aggregation plan
19 will be lower in the subsequent years or the applicant can
20 demonstrate that such excess cost is due to the purchase of
21 renewable energy. If the Commission does not suspend the
22 proposed contract awards within 15 business days after filing,
23 the corporate authorities or county board shall have the right
24 to award the proposed agreements.

25 It shall be the duty of the aggregated entity to fully
26 inform residential retail customers in advance that they have

1 the right to opt in to the aggregation program. The disclosure
2 shall prominently state all charges to be made and shall
3 include full disclosure of the cost to obtain service pursuant
4 to Section 16-103 of this Act, how to access it, and the fact
5 that it is available to them without penalty, if they are
6 currently receiving service under that Section. The Commission
7 shall furnish, without charge, to any citizen a list of all
8 supply options available to them in a format that allows
9 comparison of prices and products."