



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB1944

Introduced 2/23/2007, by Rep. Carolyn H. Krause

SYNOPSIS AS INTRODUCED:

220 ILCS 5/16-111.1

Amends the Electric Service Customer Choice and Rate Relief Law of 1997 in the Public Utilities Act. Provides that the trustees of the Illinois Clean Energy Community Trust shall distribute up to \$2,000,000 each calendar year to applicants and programs that promote or implement energy efficiency or conservation programs in the State for 3 calendar years after the effective date. Provides that the trustees shall adopt rules necessary for implementation of the provisions. Effective immediately.

LRB095 09706 MJR 29910 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 changing
5 Section 16-111.1 as follows:

6 (220 ILCS 5/16-111.1)

7 Sec. 16-111.1. Illinois Clean Energy Community Trust.

8 (a) An electric utility which has sold or transferred
9 generating facilities in a transaction to which subsection (k)
10 of Section 16-111 applies is authorized to establish an
11 Illinois clean energy community trust or foundation for the
12 purposes of providing financial support and assistance to
13 entities, public or private, within the State of Illinois
14 including, but not limited to, units of State and local
15 government, educational institutions, corporations, and
16 charitable, educational, environmental and community
17 organizations, for programs and projects that benefit the
18 public by improving energy efficiency, developing renewable
19 energy resources, supporting other energy related projects
20 that improve the State's environmental quality, and supporting
21 projects and programs intended to preserve or enhance the
22 natural habitats and wildlife areas of the State. Provided,
23 however, that the trust or foundation funds shall not be used

1 for the remediation of environmentally impaired property. The
2 trust or foundation may also assist in identifying other energy
3 and environmental grant opportunities.

4 (b) Such trust or foundation shall be governed by a
5 declaration of trust or articles of incorporation and bylaws
6 which shall, at a minimum, provide that:

7 (1) There shall be 6 voting trustees of the trust or
8 foundation, one of whom shall be appointed by the Governor,
9 one of whom shall be appointed by the President of the
10 Illinois Senate, one of whom shall be appointed by the
11 Minority Leader of the Illinois Senate, one of whom shall
12 be appointed by the Speaker of the Illinois House of
13 Representatives, one of whom shall be appointed by the
14 Minority Leader of the Illinois House of Representatives,
15 and one of whom shall be appointed by the electric utility
16 establishing the trust or foundation, provided that the
17 voting trustee appointed by the utility shall be a
18 representative of a recognized environmental action group
19 selected by the utility. The Governor shall designate one
20 of the 6 voting trustees to serve as chairman of the trust
21 or foundation, who shall serve as chairman of the trust or
22 foundation at the pleasure of the Governor. In addition,
23 there shall be 4 non-voting trustees, one of whom shall be
24 appointed by the Director of Commerce and Economic
25 Opportunity, one of whom shall be appointed by the Director
26 of the Illinois Environmental Protection Agency, one of

1 whom shall be appointed by the Director of Natural
2 Resources, and one of whom shall be appointed by the
3 electric utility establishing the trust or foundation,
4 provided that the non-voting trustee appointed by the
5 utility shall bring financial expertise to the trust or
6 foundation and shall have appropriate credentials
7 therefor.

8 (2) All voting trustees and the non-voting trustee with
9 financial expertise shall be entitled to compensation for
10 their services as trustees, provided, however, that no
11 member of the General Assembly and no employee of the
12 electric utility establishing the trust or foundation
13 serving as a voting trustee shall receive any compensation
14 for his or her services as a trustee, and provided further
15 that the compensation to the chairman of the trust shall
16 not exceed \$25,000 annually and the compensation to any
17 other trustee shall not exceed \$20,000 annually. All
18 trustees shall be entitled to reimbursement for reasonable
19 expenses incurred on behalf of the trust in the performance
20 of their duties as trustees. All such compensation and
21 reimbursements shall be paid out of the trust.

22 (3) Trustees shall be appointed within 30 days after
23 the creation of the trust or foundation and shall serve for
24 a term of 5 years commencing upon the date of their
25 respective appointments, until their respective successors
26 are appointed and qualified.

1 (4) A vacancy in the office of trustee shall be filled
2 by the person holding the office responsible for appointing
3 the trustee whose death or resignation creates the vacancy,
4 and a trustee appointed to fill a vacancy shall serve the
5 remainder of the term of the trustee whose resignation or
6 death created the vacancy.

7 (5) The trust or foundation shall have an indefinite
8 term, and shall terminate at such time as no trust assets
9 remain.

10 (6) The trust or foundation shall be funded in the
11 minimum amount of \$250,000,000, with the allocation and
12 disbursement of funds for the various purposes for which
13 the trust or foundation is established to be determined by
14 the trustees in accordance with the declaration of trust or
15 the articles of incorporation and bylaws; provided,
16 however, that this amount may be reduced by up to
17 \$25,000,000 if, at the time the trust or foundation is
18 funded, a corresponding amount is contributed by the
19 electric utility establishing the trust or foundation to
20 the Board of Trustees of Southern Illinois University for
21 the purpose of funding programs or projects related to
22 clean coal and provided further that \$25,000,000 of the
23 amount contributed to the trust or foundation shall be
24 available to fund programs or projects related to clean
25 coal.

26 (7) The trust or foundation shall be authorized to

1 employ an executive director and other employees, to enter
2 into leases, contracts and other obligations on behalf of
3 the trust or foundation, and to incur expenses that the
4 trustees deem necessary or appropriate for the fulfillment
5 of the purposes for which the trust or foundation is
6 established, provided, however, that salaries and
7 administrative expenses incurred on behalf of the trust or
8 foundation shall not exceed \$500,000 in the first fiscal
9 year after the trust or foundation is established and shall
10 not exceed \$1,000,000 in each subsequent fiscal year.

11 (8) The trustees may create and appoint advisory boards
12 or committees to assist them with the administration of the
13 trust or foundation, and to advise and make recommendations
14 to them regarding the contribution and disbursement of the
15 trust or foundation funds.

16 (c)(1) In addition to the allocation and disbursement of
17 funds for the purposes set forth in subsection (a) of this
18 Section, the trustees of the trust or foundation shall
19 annually contribute funds in amounts set forth in
20 subparagraph (2) of this subsection to the Citizens Utility
21 Board created by the Citizens Utility Board Act; provided,
22 however, that any such funds shall be used solely for the
23 representation of the interests of utility consumers
24 before the Illinois Commerce Commission, the Federal
25 Energy Regulatory Commission, and the Federal
26 Communications Commission and for the provision of

1 consumer education on utility service and prices and on
2 benefits and methods of energy conservation. Provided,
3 however, that no part of such funds shall be used to
4 support (i) any lobbying activity, (ii) activities related
5 to fundraising, (iii) advertising or other marketing
6 efforts regarding a particular utility, or (iv)
7 solicitation of support for, or advocacy of, a particular
8 position regarding any specific utility or a utility's
9 docketed proceeding.

10 (2) In the calendar year in which the trust or
11 foundation is first funded, the trustees shall contribute
12 \$1,000,000 to the Citizens Utility Board within 60 days
13 after such trust or foundation is established; provided,
14 however, that such contribution shall be made after
15 December 31, 1999. In each of the 6 calendar years
16 subsequent to the first contribution, if the trust or
17 foundation is in existence, the trustees shall contribute
18 to the Citizens Utility Board an amount equal to the total
19 expenditures by such organization in the prior calendar
20 year, as set forth in the report filed by the Citizens
21 Utility Board with the chairman of such trust or foundation
22 as required by subparagraph (3) of this subsection. Such
23 subsequent contributions shall be made within 30 days of
24 submission by the Citizens Utility Board of such report to
25 the Chairman of the trust or foundation, but in no event
26 shall any annual contribution by the trustees to the

1 Citizens Utility Board exceed \$1,000,000. Following such
2 7-year period, an Illinois statutory consumer protection
3 agency may petition the trust or foundation for
4 contributions to fund expenditures of the type identified
5 in paragraph (1), but in no event shall annual
6 contributions by the trust or foundation for such
7 expenditures exceed \$1,000,000.

8 (3) The Citizens Utility Board shall file a report with
9 the chairman of such trust or foundation for each year in
10 which it expends any funds received from the trust or
11 foundation setting forth the amount of any expenditures
12 (regardless of the source of funds for such expenditures)
13 for: (i) the representation of the interests of utility
14 consumers before the Illinois Commerce Commission, the
15 Federal Energy Regulatory Commission, and the Federal
16 Communications Commission, and (ii) the provision of
17 consumer education on utility service and prices and on
18 benefits and methods of energy conservation. Such report
19 shall separately state the total amount of expenditures for
20 the purposes or activities identified by items (i) and (ii)
21 of this paragraph, the name and address of the external
22 recipient of any such expenditure, if applicable, and the
23 specific purposes or activities (including internal
24 purposes or activities) for which each expenditure was
25 made. Any report required by this subsection shall be filed
26 with the chairman of such trust or foundation no later than

1 March 31 of the year immediately following the year for
2 which the report is required.

3 (d) In addition to any other allocation and disbursement of
4 funds in this Section, the trustees of the trust or foundation
5 shall contribute an amount up to \$125,000,000 (1) for deposit
6 into the General Obligation Bond Retirement and Interest Fund
7 held in the State treasury to assist in the repayment on
8 general obligation bonds issued under subsection (d) of Section
9 7 of the General Obligation Bond Act, and (2) for deposit into
10 funds administered by agencies with responsibility for
11 environmental activities to assist in payment for
12 environmental programs. The amount required to be contributed
13 shall be provided to the trustees in a certification letter
14 from the Director of the Bureau of the Budget that shall be
15 provided no later than August 1, 2003. The payment from the
16 trustees shall be paid to the State no later than December 31st
17 following the receipt of the letter.

18 (d) The trustees shall distribute up to \$2,000,000 each
19 calendar year to applicants and programs that promote or
20 implement energy efficiency or conservation programs in this
21 State for 3 calendar years after the effective date of this
22 amendatory Act of the 95th General Assembly. The trustees shall
23 adopt rules necessary for implementation of this subsection
24 (d).

25 (Source: P.A. 93-32, eff. 6-20-03; 94-793, eff. 5-19-06.)

26 Section 99. Effective date. This Act takes effect upon

1 becoming law.