



Rep. David E. Miller

Filed: 3/24/2009

09600HB1470ham001

LRB096 04980 RCE 24262 a

1 AMENDMENT TO HOUSE BILL 1470

2 AMENDMENT NO. _____. Amend House Bill 1470 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Power Agency Act is amended by
5 changing Section 1-10 as follows:

6 (20 ILCS 3855/1-10)

7 (Text of Section before amendment by P.A. 95-1027)

8 Sec. 1-10. Definitions.

9 "Agency" means the Illinois Power Agency.

10 "Agency loan agreement" means any agreement pursuant to
11 which the Illinois Finance Authority agrees to loan the
12 proceeds of revenue bonds issued with respect to a project to
13 the Agency upon terms providing for loan repayment installments
14 at least sufficient to pay when due all principal of, interest
15 and premium, if any, on those revenue bonds, and providing for
16 maintenance, insurance, and other matters in respect of the

1 project.

2 "Authority" means the Illinois Finance Authority.

3 "Commission" means the Illinois Commerce Commission.

4 "Costs incurred in connection with the development and
5 construction of a facility" means:

6 (1) the cost of acquisition of all real property and
7 improvements in connection therewith and equipment and
8 other property, rights, and easements acquired that are
9 deemed necessary for the operation and maintenance of the
10 facility;

11 (2) financing costs with respect to bonds, notes, and
12 other evidences of indebtedness of the Agency;

13 (3) all origination, commitment, utilization,
14 facility, placement, underwriting, syndication, credit
15 enhancement, and rating agency fees;

16 (4) engineering, design, procurement, consulting,
17 legal, accounting, title insurance, survey, appraisal,
18 escrow, trustee, collateral agency, interest rate hedging,
19 interest rate swap, capitalized interest and other
20 financing costs, and other expenses for professional
21 services; and

22 (5) the costs of plans, specifications, site study and
23 investigation, installation, surveys, other Agency costs
24 and estimates of costs, and other expenses necessary or
25 incidental to determining the feasibility of any project,
26 together with such other expenses as may be necessary or

1 incidental to the financing, insuring, acquisition, and
2 construction of a specific project and placing that project
3 in operation.

4 "Department" means the Department of Commerce and Economic
5 Opportunity.

6 "Director" means the Director of the Illinois Power Agency.

7 "Demand-response" means measures that decrease peak
8 electricity demand or shift demand from peak to off-peak
9 periods.

10 "Energy efficiency" means measures that reduce the amount
11 of electricity required to achieve a given end use.

12 "Electric utility" has the same definition as found in
13 Section 16-102 of the Public Utilities Act.

14 "Facility" means an electric generating unit or a
15 co-generating unit that produces electricity along with
16 related equipment necessary to connect the facility to an
17 electric transmission or distribution system.

18 "Governmental aggregator" means one or more units of local
19 government that individually or collectively procure
20 electricity to serve residential retail electrical loads
21 located within its or their jurisdiction.

22 "Local government" means a unit of local government as
23 defined in Article VII of Section 1 of the Illinois
24 Constitution.

25 "Municipality" means a city, village, or incorporated
26 town.

1 "Person" means any natural person, firm, partnership,
2 corporation, either domestic or foreign, company, association,
3 limited liability company, joint stock company, or association
4 and includes any trustee, receiver, assignee, or personal
5 representative thereof.

6 "Project" means the planning, bidding, and construction of
7 a facility.

8 "Public utility" has the same definition as found in
9 Section 3-105 of the Public Utilities Act.

10 "Real property" means any interest in land together with
11 all structures, fixtures, and improvements thereon, including
12 lands under water and riparian rights, any easements,
13 covenants, licenses, leases, rights-of-way, uses, and other
14 interests, together with any liens, judgments, mortgages, or
15 other claims or security interests related to real property.

16 "Renewable energy credit" means a tradable credit that
17 represents the environmental attributes of a certain amount of
18 energy produced from a renewable energy resource.

19 "Renewable energy resources" includes energy and its
20 associated renewable energy credit or renewable energy credits
21 from wind, solar thermal energy, photovoltaic cells and panels,
22 biodiesel, crops and untreated and unadulterated organic waste
23 biomass, trees and tree trimmings, hydropower that does not
24 involve new construction or significant expansion of
25 hydropower dams, incineration or burning of tires, and other
26 alternative sources of environmentally preferable energy. For

1 purposes of this Act, landfill gas produced in the State is
2 considered a renewable energy resource. "Renewable energy
3 resources" does not include the incineration or burning of
4 ~~tires~~, garbage, general household, institutional, and
5 commercial waste, industrial lunchroom or office waste,
6 landscape waste other than trees and tree trimmings, railroad
7 crossties, utility poles, or construction or demolition
8 debris, other than untreated and unadulterated waste wood.

9 "Revenue bond" means any bond, note, or other evidence of
10 indebtedness issued by the Authority, the principal and
11 interest of which is payable solely from revenues or income
12 derived from any project or activity of the Agency.

13 "Total resource cost test" or "TRC test" means a standard
14 that is met if, for an investment in energy efficiency or
15 demand-response measures, the benefit-cost ratio is greater
16 than one. The benefit-cost ratio is the ratio of the net
17 present value of the total benefits of the program to the net
18 present value of the total costs as calculated over the
19 lifetime of the measures. A total resource cost test compares
20 the sum of avoided electric utility costs, representing the
21 benefits that accrue to the system and the participant in the
22 delivery of those efficiency measures, to the sum of all
23 incremental costs of end-use measures that are implemented due
24 to the program (including both utility and participant
25 contributions), plus costs to administer, deliver, and
26 evaluate each demand-side program, to quantify the net savings

1 obtained by substituting the demand-side program for supply
2 resources. In calculating avoided costs of power and energy
3 that an electric utility would otherwise have had to acquire,
4 reasonable estimates shall be included of financial costs
5 likely to be imposed by future regulations and legislation on
6 emissions of greenhouse gases.

7 (Source: P.A. 95-481, eff. 8-28-07; 95-913, eff. 1-1-09.)

8 (Text of Section after amendment by P.A. 95-1027)

9 Sec. 1-10. Definitions.

10 "Agency" means the Illinois Power Agency.

11 "Agency loan agreement" means any agreement pursuant to
12 which the Illinois Finance Authority agrees to loan the
13 proceeds of revenue bonds issued with respect to a project to
14 the Agency upon terms providing for loan repayment installments
15 at least sufficient to pay when due all principal of, interest
16 and premium, if any, on those revenue bonds, and providing for
17 maintenance, insurance, and other matters in respect of the
18 project.

19 "Authority" means the Illinois Finance Authority.

20 "Clean coal facility" means an electric generating
21 facility that uses primarily coal as a feedstock and that
22 captures and sequesters carbon emissions at the following
23 levels: at least 50% of the total carbon emissions that the
24 facility would otherwise emit if, at the time construction
25 commences, the facility is scheduled to commence operation

1 before 2016, at least 70% of the total carbon emissions that
2 the facility would otherwise emit if, at the time construction
3 commences, the facility is scheduled to commence operation
4 during 2016 or 2017, and at least 90% of the total carbon
5 emissions that the facility would otherwise emit if, at the
6 time construction commences, the facility is scheduled to
7 commence operation after 2017. The power block of the clean
8 coal facility shall not exceed allowable emission rates for
9 sulfur dioxide, nitrogen oxides, carbon monoxide, particulates
10 and mercury for a natural gas-fired combined-cycle facility the
11 same size as and in the same location as the clean coal
12 facility at the time the clean coal facility obtains an
13 approved air permit. All coal used by a clean coal facility
14 shall have high volatile bituminous rank and greater than 1.7
15 pounds of sulfur per million btu content, unless the clean coal
16 facility does not use gasification technology and was operating
17 as a conventional coal-fired electric generating facility on
18 June 1, 2009 (the effective date of Public Act 95-1027) ~~this~~
19 ~~amendatory Act of the 95th General Assembly.~~

20 "Clean coal SNG facility" means a facility that uses a
21 gasification process to produce substitute natural gas, that
22 sequesters at least 90% of the total carbon emissions that the
23 facility would otherwise emit and that uses coal as a
24 feedstock, with all such coal having a high bituminous rank and
25 greater than 1.7 pounds of sulfur per million btu content.

26 "Commission" means the Illinois Commerce Commission.

1 "Costs incurred in connection with the development and
2 construction of a facility" means:

3 (1) the cost of acquisition of all real property and
4 improvements in connection therewith and equipment and
5 other property, rights, and easements acquired that are
6 deemed necessary for the operation and maintenance of the
7 facility;

8 (2) financing costs with respect to bonds, notes, and
9 other evidences of indebtedness of the Agency;

10 (3) all origination, commitment, utilization,
11 facility, placement, underwriting, syndication, credit
12 enhancement, and rating agency fees;

13 (4) engineering, design, procurement, consulting,
14 legal, accounting, title insurance, survey, appraisal,
15 escrow, trustee, collateral agency, interest rate hedging,
16 interest rate swap, capitalized interest and other
17 financing costs, and other expenses for professional
18 services; and

19 (5) the costs of plans, specifications, site study and
20 investigation, installation, surveys, other Agency costs
21 and estimates of costs, and other expenses necessary or
22 incidental to determining the feasibility of any project,
23 together with such other expenses as may be necessary or
24 incidental to the financing, insuring, acquisition, and
25 construction of a specific project and placing that project
26 in operation.

1 "Department" means the Department of Commerce and Economic
2 Opportunity.

3 "Director" means the Director of the Illinois Power Agency.

4 "Demand-response" means measures that decrease peak
5 electricity demand or shift demand from peak to off-peak
6 periods.

7 "Energy efficiency" means measures that reduce the amount
8 of electricity required to achieve a given end use.

9 "Electric utility" has the same definition as found in
10 Section 16-102 of the Public Utilities Act.

11 "Facility" means an electric generating unit or a
12 co-generating unit that produces electricity along with
13 related equipment necessary to connect the facility to an
14 electric transmission or distribution system.

15 "Governmental aggregator" means one or more units of local
16 government that individually or collectively procure
17 electricity to serve residential retail electrical loads
18 located within its or their jurisdiction.

19 "Local government" means a unit of local government as
20 defined in Article VII of Section 1 of the Illinois
21 Constitution.

22 "Municipality" means a city, village, or incorporated
23 town.

24 "Person" means any natural person, firm, partnership,
25 corporation, either domestic or foreign, company, association,
26 limited liability company, joint stock company, or association

1 and includes any trustee, receiver, assignee, or personal
2 representative thereof.

3 "Project" means the planning, bidding, and construction of
4 a facility.

5 "Public utility" has the same definition as found in
6 Section 3-105 of the Public Utilities Act.

7 "Real property" means any interest in land together with
8 all structures, fixtures, and improvements thereon, including
9 lands under water and riparian rights, any easements,
10 covenants, licenses, leases, rights-of-way, uses, and other
11 interests, together with any liens, judgments, mortgages, or
12 other claims or security interests related to real property.

13 "Renewable energy credit" means a tradable credit that
14 represents the environmental attributes of a certain amount of
15 energy produced from a renewable energy resource.

16 "Renewable energy resources" includes energy and its
17 associated renewable energy credit or renewable energy credits
18 from wind, solar thermal energy, photovoltaic cells and panels,
19 biodiesel, crops and untreated and unadulterated organic waste
20 biomass, trees and tree trimmings, hydropower that does not
21 involve new construction or significant expansion of
22 hydropower dams, incineration or burning of tires, and other
23 alternative sources of environmentally preferable energy. For
24 purposes of this Act, landfill gas produced in the State is
25 considered a renewable energy resource. "Renewable energy
26 resources" does not include the incineration or burning of

1 ~~tires~~, garbage, general household, institutional, and
2 commercial waste, industrial lunchroom or office waste,
3 landscape waste other than trees and tree trimmings, railroad
4 crossties, utility poles, or construction or demolition
5 debris, other than untreated and unadulterated waste wood.

6 "Revenue bond" means any bond, note, or other evidence of
7 indebtedness issued by the Authority, the principal and
8 interest of which is payable solely from revenues or income
9 derived from any project or activity of the Agency.

10 "Sequester" means permanent storage of carbon dioxide by
11 injecting it into a saline aquifer, a depleted gas reservoir,
12 or an oil reservoir, directly or through an enhanced oil
13 recovery process that may involve intermediate storage in a
14 salt dome.

15 "Servicing agreement" means (i) in the case of an electric
16 utility, an agreement between the owner of a clean coal
17 facility and such electric utility, which agreement shall have
18 terms and conditions meeting the requirements of paragraph (3)
19 of subsection (d) of Section 1-75, and (ii) in the case of an
20 alternative retail electric supplier, an agreement between the
21 owner of a clean coal facility and such alternative retail
22 electric supplier, which agreement shall have terms and
23 conditions meeting the requirements of Section 16-115(d) (5) of
24 the Public Utilities Act.

25 "Substitute natural gas" or "SNG" means a gas manufactured
26 by gasification of hydrocarbon feedstock, which is

1 substantially interchangeable in use and distribution with
2 conventional natural gas.

3 "Total resource cost test" or "TRC test" means a standard
4 that is met if, for an investment in energy efficiency or
5 demand-response measures, the benefit-cost ratio is greater
6 than one. The benefit-cost ratio is the ratio of the net
7 present value of the total benefits of the program to the net
8 present value of the total costs as calculated over the
9 lifetime of the measures. A total resource cost test compares
10 the sum of avoided electric utility costs, representing the
11 benefits that accrue to the system and the participant in the
12 delivery of those efficiency measures, to the sum of all
13 incremental costs of end-use measures that are implemented due
14 to the program (including both utility and participant
15 contributions), plus costs to administer, deliver, and
16 evaluate each demand-side program, to quantify the net savings
17 obtained by substituting the demand-side program for supply
18 resources. In calculating avoided costs of power and energy
19 that an electric utility would otherwise have had to acquire,
20 reasonable estimates shall be included of financial costs
21 likely to be imposed by future regulations and legislation on
22 emissions of greenhouse gases.

23 (Source: P.A. 95-481, eff. 8-28-07; 95-913, eff. 1-1-09;
24 95-1027, eff. 6-1-09; revised 1-14-09.)

25 Section 95. No acceleration or delay. Where this Act makes

1 changes in a statute that is represented in this Act by text
2 that is not yet or no longer in effect (for example, a Section
3 represented by multiple versions), the use of that text does
4 not accelerate or delay the taking effect of (i) the changes
5 made by this Act or (ii) provisions derived from any other
6 Public Act.

7 Section 99. Effective date. This Act takes effect upon
8 becoming law.".