

HB0590



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB0590

Introduced 1/25/2013, by Rep. Michael J. Madigan

SYNOPSIS AS INTRODUCED:

220 ILCS 5/18-102

Amends the Public Utilities Act. Makes a technical change in a Section concerning definitions relating to transitional funding for electric utilities.

LRB098 03405 AMC 33420 b

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 18-102 as follows:

6 (220 ILCS 5/18-102)

7 Sec. 18-102. Definitions. For the ~~the~~ purposes of this
8 Article the following terms shall be defined as set forth in
9 this Section. Terms defined in Article XVI shall have the same
10 meanings in this Article.

11 "Assignee" means any party, other than an electric utility
12 or grantee, to which an interest in intangible transition
13 property shall have been assigned, sold or transferred. The
14 term "assignee" includes any corporation, public authority,
15 trust, financing vehicle, partnership, limited liability
16 company or other entity.

17 "Grantee" means any party, other than an electric utility
18 or an assignee which acquires its interest from an electric
19 utility, to whom or for whose benefit the Commission shall
20 create, establish and grant rights in, to and under intangible
21 transition property. The term "grantee" includes any
22 corporation, public authority, trust, financing vehicle,
23 partnership, limited liability company or other entity.

1 "Grantee instruments" means (a) any instruments,
2 documents, notes, debentures, bonds or other evidences of
3 indebtedness evidencing any contractual right to receive the
4 payment of money from a grantee or (b) any certificates of
5 participation, certificates of beneficial interest or other
6 instruments evidencing a beneficial or ownership interest in a
7 grantee or in intangible transition property of such grantee
8 which are (i) issued (A) by or on behalf of a grantee pursuant
9 to a transitional funding order and (B) pursuant to an executed
10 indenture, pooling agreement, security agreement or other
11 similar agreement of such grantee creating a security interest,
12 ownership interest or other beneficial interest in intangible
13 transition property and (ii) payable solely from proceeds of
14 intangible transition property, including amounts received
15 with respect to the related instrument funding charges.

16 "Holder" means any holder of transitional funding
17 instruments, including a trustee, collateral agent, nominee or
18 other such party acting for the benefit of such a holder.

19 "Instrument funding charge" means a non-bypassable charge
20 expressed in cents per kilowatt-hour authorized in a
21 transitional funding order to be applied and invoiced to each
22 retail customer, class of retail customers of an electric
23 utility or other person or group of persons obligated to pay
24 any base rates, transition charges or other rates for tariffed
25 services from which such instrument funding charge has been
26 deducted and stated separately pursuant to subsection (j) of

1 Section 18-104.

2 "Intangible transition property" means the right, title,
3 and interest of an electric utility or grantee or assignee
4 arising pursuant to a transitional funding order to impose and
5 receive instrument funding charges, and all related revenues,
6 collections, claims, payments, money, or proceeds thereof,
7 including all right, title, and interest of an electric
8 utility, grantee or assignee in, to, under and pursuant to such
9 transitional funding order, whether or not such intangible
10 transition property described above is characterized on the
11 books of the electric utility as a regulatory asset or as a
12 cost incurred by the electric utility or otherwise. Intangible
13 transition property shall arise and exist only when, as, and to
14 the extent that instrument funding charges are authorized in a
15 transitional funding order that has become effective in
16 accordance with this Article and shall thereafter continuously
17 exist to the extent provided in the order.

18 "Issuer" means any party, other than an electric utility,
19 which has issued transitional funding instruments. The term
20 "issuer" includes any corporation, public authority, trust,
21 financing vehicle, partnership, limited liability company or
22 other entity.

23 "Transitional funding instruments" means any instruments,
24 pass-through certificates, notes, debentures, certificates of
25 participation, bonds, certificates of beneficial interest or
26 other evidences of indebtedness or instruments evidencing a

1 beneficial interest (i) which are issued by or on behalf of an
2 electric utility or issuer pursuant to a transitional funding
3 order, (ii) which are issued pursuant to an executed indenture,
4 pooling agreement, security agreement or other similar
5 agreement of an electric utility or issuer creating a security
6 interest, ownership interest or other beneficial interest in
7 intangible transition property or grantee instruments, if any,
8 and (iii) the proceeds of which are to be used for the purposes
9 set forth in subparagraph (1) of subsection (d) of Section
10 18-103 of this Article.

11 "Transitional funding order" means an order of the
12 Commission issued in accordance with the provisions of this
13 Article creating and establishing intangible transition
14 property and the rights of any party therein and approving the
15 sale, pledge, assignment or other transfer of intangible
16 transition property and grantee instruments, if any, the
17 issuance of transitional funding instruments and grantee
18 instruments, if any, and the imposition and collection of
19 instrument funding charges.

20 (Source: P.A. 90-561, eff. 12-16-97.)