

1 AN ACT concerning energy.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the Lake  
5 Michigan Wind Energy Act.

6 Section 5. Legislative findings. The General Assembly  
7 finds:

8 (1) that Lake Michigan is a unique and treasured public  
9 asset that supports numerous activities for the benefit of the  
10 people, wildlife, and flora of the State of Illinois;

11 (2) that the bed of Lake Michigan is public land held in  
12 trust for the people of the State of Illinois and cannot be  
13 alienated to a private use or person;

14 (3) that federal and State policy, as well as the national  
15 security, energy, and environmental needs of the United States  
16 and the people of the State of Illinois, support exploration  
17 and development of renewable energy resources, including  
18 offshore wind energy;

19 (4) that the State of Illinois is a signatory to a federal  
20 and multistate memorandum of understanding and is committed to  
21 promoting the efficient, expeditious, orderly, and responsible  
22 evaluation of offshore wind power projects in the Great Lakes;

23 (5) that wind above the Illinois public trust lands of Lake

1 Michigan is a unique and significant renewable energy resource;

2 (6) that the development of that resource does not involve  
3 mining or other extraction of resources from the public trust  
4 lands of Lake Michigan;

5 (7) that the provision of renewable energy from offshore  
6 wind, if done in an environmentally responsible manner and  
7 without transferring ownership of any public trust lands of  
8 Lake Michigan, would serve a primarily public purpose  
9 consistent with the public trust; and

10 (8) that the Lake Michigan Offshore Wind Energy Advisory  
11 Council has recommended clarifying and confirming the State's  
12 authority to permit such development and has made other  
13 recommendations to further the responsible development of the  
14 State's wind energy resources above Lake Michigan.

15 Section 10. Definitions. As used in this Act:

16 "Public trust lands" means the bed of Lake Michigan.

17 "Department" means the Department of Natural  
18 Resources.

19 Section 15. Wind energy siting matrix. The Department shall  
20 develop a detailed offshore wind energy siting matrix for the  
21 public trust lands of Lake Michigan, which shall, at a minimum,  
22 identify areas that are unsuitable for wind energy development  
23 ("prohibited areas"), areas that are most appropriate for wind  
24 energy development ("preferred areas"), and areas that are

1 neither prohibited nor preferred for wind energy development  
2 but that may be considered for development upon application  
3 ("possible areas"). The Department, in developing the wind  
4 energy siting matrix, shall take into consideration existing  
5 environmental, marine, public infrastructure, transportation,  
6 and security uses and factors, and may also consider other  
7 factors it identifies as appropriate.

8 Section 20. Offshore Wind Energy Economic Development  
9 Policy Task Force.

10 (a) The Governor shall convene an Offshore Wind Energy  
11 Economic Development Policy Task Force, to be chaired by the  
12 Director of Commerce and Economic Opportunity, or his or her  
13 designee, to analyze and evaluate policy and economic options  
14 to facilitate the development of offshore wind energy, and to  
15 propose an appropriate Illinois mechanism for purchasing and  
16 selling power from possible offshore wind energy projects. The  
17 Task Force shall examine mechanisms used in other states and  
18 jurisdictions, including, without limitation, feed-in-tariffs,  
19 renewable energy certificates, renewable energy certificate  
20 carve-outs, power purchase agreements, and pilot projects. The  
21 Task Force shall report its findings and recommendations to the  
22 Governor and General Assembly by December 31, 2013.

23 (b) The Director of the Illinois Power Agency (or his or  
24 her designee), the Executive Director of the Illinois Commerce  
25 Commission (or his or her designee), the Director of Natural

1 Resources (or his or her designee), and the Attorney General  
2 (or his or her designee) shall serve as ex officio members of  
3 the Task Force.

4 (c) The Governor shall appoint the following public members  
5 to serve on the Task Force:

6 (1) one individual from an institution of higher  
7 education in Illinois representing the discipline of  
8 economics with experience in the study of renewable energy;

9 (2) one individual representing an energy industry  
10 with experience in renewable energy markets;

11 (3) one individual representing a Statewide consumer  
12 or electric ratepayer organization;

13 (4) one individual representing the offshore wind  
14 energy industry;

15 (5) one individual representing the wind energy supply  
16 chain industry;

17 (6) one individual representing an Illinois electrical  
18 cooperative, municipal electrical utility, or association  
19 of such cooperatives or utilities;

20 (7) one individual representing an Illinois industrial  
21 union involved in the construction, maintenance, or  
22 transportation of electrical generation, distribution, or  
23 transmission equipment or components;

24 (8) one individual representing an Illinois commercial  
25 or industrial electrical consumer;

26 (9) one individual representing an Illinois public

1 education electrical consumer;

2 (10) one individual representing an independent  
3 transmission company;

4 (11) one individual from the Illinois legal community  
5 with experience in contracts, utility law, municipal law,  
6 and constitutional law;

7 (12) one individual representing a Great Lakes  
8 regional organization with experience assessing or  
9 studying wind energy;

10 (13) one individual representing a Statewide  
11 environmental organization;

12 (14) one resident of the State representing an  
13 organization advocating for persons of low or limited  
14 incomes;

15 (15) one individual representing Argonne National  
16 Laboratory; and

17 (16) one individual representing a local community  
18 that has aggregated the purchase of electricity.

19 (d) The Governor may appoint additional public members to  
20 the Task Force.

21 (e) The Speaker of the House of Representatives, Minority  
22 Leader of the House of Representatives, Senate President, and  
23 Minority Leader of the Senate shall each appoint one member of  
24 the General Assembly to serve on the Task Force.

25 (f) Members of the Task Force shall serve without  
26 compensation.

1           Section 25. Assessment permits. After finalizing the wind  
2 energy siting matrix required under Section 15, the Department  
3 may, in accordance with rules adopted by the Department  
4 pursuant to Section 5-40 of the Illinois Administrative  
5 Procedure Act and with the written approval of the Governor,  
6 grant in the name of the State of Illinois permits and site  
7 leases with respect to public trust lands of Lake Michigan for  
8 the assessment of sites for offshore wind energy development.

9           Section 30. Permits for wind park construction and  
10 operation. The Department may, in accordance with rules adopted  
11 by the Department pursuant to Section 5-40 of the Illinois  
12 Administrative Procedure Act, convert site assessment leases  
13 to offshore wind park construction and operation leases, upon  
14 an appropriate showing by the applicant that the construction  
15 and operation of wind energy facilities would not be  
16 inconsistent with the public trust.

17           Section 35. Permit terms. The Department may insert into  
18 any permit or lease issued under this Act any terms that it  
19 deems necessary to protect the rights of the State, the public,  
20 lessees, and users of waters above the public trust lands of  
21 Lake Michigan.

22           Section 40. Rulemaking. The Department may adopt, in

1 accordance with the requirements of Section 5-40 of the  
2 Illinois Administrative Procedure Act, any rule that is  
3 necessary to implement this Act. The rules adopted by the  
4 Department under this Section shall, at a minimum, specify  
5 permit fees and royalty schedules, requirements for bonding and  
6 guaranteeing, requirements for decommissioning, and any other  
7 requirements necessary for carrying out the provisions of this  
8 Act.

9 Prior to adopting any rule under this Act, the Department  
10 shall consult with the Illinois Environmental Protection  
11 Agency, the Illinois Commerce Commission, the Illinois Power  
12 Agency, and the Department of Commerce and Economic  
13 Opportunity.

14 Section 45. Regulatory toolkit. The Department shall, in  
15 consultation with the Illinois Environmental Protection  
16 Agency, the Illinois Commerce Commission, the Illinois Power  
17 Agency, and the Department of Commerce and Economic  
18 Opportunity, prepare and publish a toolkit for advising and  
19 guiding developers on the regulatory and permitting process.  
20 The toolkit shall, at a minimum, include a checklist of  
21 required State permits and an overview of estimated timelines  
22 and likely areas of concern.

23 Section 50. Limitation on Department Authority. Nothing  
24 contained in this Act shall be construed as requiring or

1 permitting the Department to permanently convey any public  
2 trust lands for energy development.

3 Section 99. Effective date. This Act takes effect upon  
4 becoming law.