

AN ACT concerning regulation.

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

Section 1. Short title. This Act may be cited as the
Pembroke Township Natural Gas Investment Pilot Program Act.

Section 5. Definitions. In this Act:

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

"Qualifying gas pipeline project" means the construction
or installation of gas equipment used in connection with the
distribution and delivery of natural gas in Pembroke Township.

Section 10. Pembroke Township Natural Gas Investment Pilot
Program.

(a) The Department shall create the Pembroke Township
Natural Gas Investment Pilot Program for a duration of 5
years. The Program shall provide that the Department shall
distribute grants, subject to appropriation, from moneys in
the Pembroke Township Natural Gas Investment Fund for the
conversion of appliances to be compatible with natural gas.

(b) The Department shall adopt rules for the
administration of the Program. At a minimum, the rules shall
require that the applicant for the grants demonstrate that the

grants will result in the conversion of necessary equipment to have the ability to utilize natural gas. The rules shall allow for conversion grants awarded to residents of Pembroke Township and to Pembroke Township to provide assistance for the use of natural gas and shall ensure that the applicant complies with all other requirements of the rules.

(c) A grantee must maintain all records as required by rule. The records shall be subject to audit by the Department, by an auditor appointed by the Department, or by a State officer authorized to conduct audits.

(d) Eligible applicants under this Program may include a nonprofit or community action association that will help the residents of Pembroke with the convergence of natural gas services in the residents' homes. Notwithstanding any provision of law to the contrary, an entity regulated under the Public Utilities Act may serve as a grantee under this Act.

Section 15. Pembroke Township Natural Gas Investment Pilot Program Fund. The Pembroke Township Natural Gas Investment Pilot Program Fund is created as a special fund in the State treasury. Subject to appropriation, all moneys in the Fund shall be used by the Department to fund grants for qualified utility infrastructure projects. The Department may accept private and public funds, including federal funds, for deposit into the Fund. Earnings attributable to moneys in the Fund shall be deposited into the Fund.

Section 20. Data collection and reporting. The Department shall collect data regarding the successes and challenges of the Pembroke Township Natural Gas Investment Pilot Program and shall submit an annual report to the Governor and the General Assembly by March 1 of each year beginning in 2022 until the Pilot Program terminates. The report shall: (i) make a recommendation as to whether the Pilot Program should continue; (ii) provide cost estimates, including the average per person costs; and (iii) recommend ways in which the Pilot Program can be improved to better address the needs for natural gas distribution.

Section 90. The State Finance Act is amended by adding Section 5.935 as follows:

(30 ILCS 105/5.935 new)

Sec. 5.935. The Pembroke Township Natural Gas Investment Pilot Program Fund.

Section 95. The Public Utilities Act is amended by changing Section 8-406 and by adding Section 8-406.2 as follows:

(220 ILCS 5/8-406) (from Ch. 111 2/3, par. 8-406)

Sec. 8-406. Certificate of public convenience and

necessity.

(a) No public utility not owning any city or village franchise nor engaged in performing any public service or in furnishing any product or commodity within this State as of July 1, 1921 and not possessing a certificate of public convenience and necessity from the Illinois Commerce Commission, the State Public Utilities Commission or the Public Utilities Commission, at the time this amendatory Act of 1985 goes into effect, shall transact any business in this State until it shall have obtained a certificate from the Commission that public convenience and necessity require the transaction of such business. A certificate of public convenience and necessity requiring the transaction of public utility business in any area of this State shall include authorization to the public utility receiving the certificate of public convenience and necessity to construct such plant, equipment, property, or facility as is provided for under the terms and conditions of its tariff and as is necessary to provide utility service and carry out the transaction of public utility business by the public utility in the designated area.

(b) No public utility shall begin the construction of any new plant, equipment, property or facility which is not in substitution of any existing plant, equipment, property or facility or any extension or alteration thereof or in addition thereto, unless and until it shall have obtained from the

Commission a certificate that public convenience and necessity require such construction. Whenever after a hearing the Commission determines that any new construction or the transaction of any business by a public utility will promote the public convenience and is necessary thereto, it shall have the power to issue certificates of public convenience and necessity. The Commission shall determine that proposed construction will promote the public convenience and necessity only if the utility demonstrates: (1) that the proposed construction is necessary to provide adequate, reliable, and efficient service to its customers and is the least-cost means of satisfying the service needs of its customers or that the proposed construction will promote the development of an effectively competitive electricity market that operates efficiently, is equitable to all customers, and is the least cost means of satisfying those objectives; (2) that the utility is capable of efficiently managing and supervising the construction process and has taken sufficient action to ensure adequate and efficient construction and supervision thereof; and (3) that the utility is capable of financing the proposed construction without significant adverse financial consequences for the utility or its customers.

(c) After the effective date of this amendatory Act of 1987, no construction shall commence on any new nuclear power plant to be located within this State, and no certificate of public convenience and necessity or other authorization shall

be issued therefor by the Commission, until the Director of the Illinois Environmental Protection Agency finds that the United States Government, through its authorized agency, has identified and approved a demonstrable technology or means for the disposal of high level nuclear waste, or until such construction has been specifically approved by a statute enacted by the General Assembly.

As used in this Section, "high level nuclear waste" means those aqueous wastes resulting from the operation of the first cycle of the solvent extraction system or equivalent and the concentrated wastes of the subsequent extraction cycles or equivalent in a facility for reprocessing irradiated reactor fuel and shall include spent fuel assemblies prior to fuel reprocessing.

(d) In making its determination under subsection (b) of this Section, the Commission shall attach primary weight to the cost or cost savings to the customers of the utility. The Commission may consider any or all factors which will or may affect such cost or cost savings, including the public utility's engineering judgment regarding the materials used for construction.

(e) The Commission may issue a temporary certificate which shall remain in force not to exceed one year in cases of emergency, to assure maintenance of adequate service or to serve particular customers, without notice or hearing, pending the determination of an application for a certificate, and may

by regulation exempt from the requirements of this Section temporary acts or operations for which the issuance of a certificate will not be required in the public interest.

A public utility shall not be required to obtain but may apply for and obtain a certificate of public convenience and necessity pursuant to this Section with respect to any matter as to which it has received the authorization or order of the Commission under the Electric Supplier Act, and any such authorization or order granted a public utility by the Commission under that Act shall as between public utilities be deemed to be, and shall have except as provided in that Act the same force and effect as, a certificate of public convenience and necessity issued pursuant to this Section.

No electric cooperative shall be made or shall become a party to or shall be entitled to be heard or to otherwise appear or participate in any proceeding initiated under this Section for authorization of power plant construction and as to matters as to which a remedy is available under The Electric Supplier Act.

(f) Such certificates may be altered or modified by the Commission, upon its own motion or upon application by the person or corporation affected. Unless exercised within a period of 2 years from the grant thereof authority conferred by a certificate of convenience and necessity issued by the Commission shall be null and void.

No certificate of public convenience and necessity shall

be construed as granting a monopoly or an exclusive privilege, immunity or franchise.

(g) A public utility that undertakes any of the actions described in items (1) through (3) of this subsection (g) or that has obtained approval pursuant to Section 8-406.1 of this Act shall not be required to comply with the requirements of this Section to the extent such requirements otherwise would apply. For purposes of this Section and Section 8-406.1 of this Act, "high voltage electric service line" means an electric line having a design voltage of 100,000 or more. For purposes of this subsection (g), a public utility may do any of the following:

(1) replace or upgrade any existing high voltage electric service line and related facilities, notwithstanding its length;

(2) relocate any existing high voltage electric service line and related facilities, notwithstanding its length, to accommodate construction or expansion of a roadway or other transportation infrastructure; or

(3) construct a high voltage electric service line and related facilities that is constructed solely to serve a single customer's premises or to provide a generator interconnection to the public utility's transmission system and that will pass under or over the premises owned by the customer or generator to be served or under or over premises for which the customer or generator has secured

the necessary right of way.

(h) A public utility seeking to construct a high-voltage electric service line and related facilities (Project) must show that the utility has held a minimum of 2 pre-filing public meetings to receive public comment concerning the Project in each county where the Project is to be located, no earlier than 6 months prior to filing an application for a certificate of public convenience and necessity from the Commission. Notice of the public meeting shall be published in a newspaper of general circulation within the affected county once a week for 3 consecutive weeks, beginning no earlier than one month prior to the first public meeting. If the Project traverses 2 contiguous counties and where in one county the transmission line mileage and number of landowners over whose property the proposed route traverses is one-fifth or less of the transmission line mileage and number of such landowners of the other county, then the utility may combine the 2 pre-filing meetings in the county with the greater transmission line mileage and affected landowners. All other requirements regarding pre-filing meetings shall apply in both counties. Notice of the public meeting, including a description of the Project, must be provided in writing to the clerk of each county where the Project is to be located. A representative of the Commission shall be invited to each pre-filing public meeting.

(i) For applications filed after the effective date of

this amendatory Act of the 99th General Assembly, the Commission shall by registered mail notify each owner of record of land, as identified in the records of the relevant county tax assessor, included in the right-of-way over which the utility seeks in its application to construct a high-voltage electric line of the time and place scheduled for the initial hearing on the public utility's application. The utility shall reimburse the Commission for the cost of the postage and supplies incurred for mailing the notice.

(Source: P.A. 99-399, eff. 8-18-15.)

(220 ILCS 5/8-406.2 new)

Sec. 8-406.2. Certificate of public convenience and necessity; extension of utility service area and facilities to serve designated hardship areas.

(a) This Section is intended to provide a mechanism by which a gas public utility may extend its service territory and gas distribution system to provide service to designated low-income areas whose residents do not have access to natural gas service and must purchase more costly alternatives to satisfy their energy needs.

(b) In this Section:

"Designated hardship area" is limited to Pembroke Township, if the Township meets certain requirements. Any "designated hardship area" only applies to the specific community of Pembroke within the scope of the Project.

Pembroke Township will only be categorized as a "designated hardship area" if it meets the following requirements:

(1) the area is designated as a qualified census tract by the U.S. Department of Housing and Urban Development as published in the most current Federal Register; if the U.S. Department of Housing and Urban Development ceases to make this designation, then at least 25% of the households in the area are at or below the poverty level; and

(2) the area is not currently served by a gas utility.

"Hardship area facilities" means all gas distribution system facilities that are proposed to be constructed or extended and used to serve the designated hardship area, through and including retail gas meters. "Hardship area facilities" includes the capacity to address reasonably foreseeable growth in areas adjacent to or in the vicinity of the designated hardship area.

(c) A gas public utility may apply for a certificate of public convenience and necessity pursuant to this Section to increase its gas service territory and extend its gas distribution system to serve a designated hardship area. An application under this Section shall include all of the following:

(1) a description of the designated hardship area and its relationship to the existing gas distribution system of the applicant;

(2) a showing that the designated hardship area meets

the criteria for being a designated hardship area under subsection (b) of this Section;

(3) a description of the hardship area facilities proposed to serve the designated hardship area;

(4) a projection of the costs to construct and deploy the hardship area facilities;

(5) a showing that the estimated cost to construct and deploy the hardship area facilities is equal to or less than 250% of the amount allowed under the gas utilities' then current tariffs to provide standard service to extend main and services; and

(6) a statement to confirm that the public utility has held at least 2 pre-filing public meetings in the community and considered public input from those meetings when developing and implementing its plans.

(d) The Commission shall, after notice and hearing, grant a certificate of public convenience and necessity under this Section if, based upon the application filed with the Commission and the evidentiary record, the Commission finds that all of the following criteria are satisfied:

(1) the area to be served is a designated hardship area;

(2) the proposed hardship area facilities will provide adequate, reliable, and efficient gas delivery service to the customers within the designated hardship area and are the least-cost means of providing such gas delivery

service to these customers;

(3) the public utility is capable of efficiently managing and supervising the construction of the hardship area facilities and has taken sufficient action to ensure adequate and efficient construction and supervision of the construction;

(4) the public utility is capable of financing the construction of the hardship area facilities without significant adverse financial consequences for the utility or its customers;

(5) the estimated cost to construct and deploy the hardship area facilities is equal to or less than 250% of the amount allowed under the gas utilities then current tariffs to provide standard service to extend main and services;

(6) the public utility can guarantee that residents of Hopkins Park who choose to opt out of converting to a natural gas delivery service will not be assessed any charges relating to the pipeline construction or any other fees relating to the designated hardship area facilities;

(7) the public utility disclosed to the Commission the mapping of the proposed pipeline and infrastructure management requirements within the designated hardship area; and

(8) the public utility has guaranteed that, before implementation, it will disclose to the Commission the

cost to the utility for customers of Hopkins Park to utilize gas services.

(e) The Commission shall issue its decision with findings of fact and conclusions of law granting or denying the application no later than 120 days after the application is filed.

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