



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

HB5624

by Rep. Linda Chapa LaVia

#### SYNOPSIS AS INTRODUCED:

65 ILCS 115/10-10.1

Amends the River Edge Redevelopment Zone Act. Restricts the amount of costs recovered by a public utility from retail customers to \$5,000,000. Makes other changes concerning the remainder of costs recovered by the public utility. Provides for a repeal date of July 1, 2020 (currently, July 29, 2017).

LRB098 17813 JLK 55375 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning local government.

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

4 Section 10. The River Edge Redevelopment Zone Act is  
5 amended by changing Section 10-10.1 as follows:

6 (65 ILCS 115/10-10.1)

7 (Section scheduled to be repealed on July 29, 2017)

8 Sec. 10-10.1. Utility facilities.

9 (a) It is in the public interest that costs for  
10 redevelopment in a River Edge Redevelopment Zone impacting a  
11 public utility, as defined by Section 3-105 of the Public  
12 Utilities Act, or a public utility's property, as described in  
13 subsection (b) of this Section, should not be allocated solely  
14 to the entity engaging in economic redevelopment because this  
15 economic redevelopment benefits the utility service territory  
16 as a whole and not just the particular area where the  
17 redevelopment occurs.

18 (b) A public utility that has facilities or land affected  
19 by the clean-up, remediation, and redevelopment of a River Edge  
20 Redevelopment Zone and that incurs costs related to the  
21 remediation or the removing or relocating of utility facilities  
22 in the River Edge Redevelopment Zone may recover these costs  
23 pursuant to subsections (c) and (d) of this Section.

1 (c) The reasonable and prudent costs incurred by a public  
2 utility for facility removal or relocation described in  
3 subsection (b) of this Section shall be shared equally among  
4 the public utility, the municipality in which the facility is  
5 located, and any landowner that is located within 100 feet of  
6 the utility facility and that directly benefits from the  
7 removal or relocation of the utility facility or the  
8 redevelopment of the public utility's land. In no event shall  
9 the costs incurred by each municipality or landowner for a  
10 given project exceed an equal percentage of the total direct,  
11 indirect, and overhead project costs, or \$1,000,000 ~~\$3,667,000~~  
12 each, whichever amount is less. The reasonable and prudent  
13 costs incurred by the public utility for facility removal or  
14 relocation that are not the responsibility of the municipality  
15 or landowner under this subsection (c) shall be recovered by  
16 the public utility from all retail customers located in the  
17 municipality or municipalities in which the removal or  
18 relocation occurs through an appropriate tariff mechanism, and  
19 the public utility may record and defer such costs as a  
20 regulatory asset until they are so recovered. In no event shall  
21 the costs recovered by the public utility from all retail  
22 customers located in the municipality or municipalities in  
23 which the removal or relocation occurs shall exceed \$5,000,000.  
24 The public utility shall record and defer the remainder of  
25 these costs as a regulatory asset to be included in the public  
26 utility's total rate base and amortized in the public utility's

1 next filing for a general increase in rates over a reasonable  
2 period that is shorter than the life of the affected facility  
3 or facilities. Such regulatory assets shall be collected from  
4 all residential and commercial ratepayers system-wide.

5 (d) The Illinois Commerce Commission shall allow a public  
6 utility described in subsection (b) to fully recover from all  
7 retail customers in its service territory all reasonable and  
8 prudent costs that it incurs in conducting environmental  
9 remediation in the River Edge Redevelopment Zone related to the  
10 removal or relocation of utility facilities in the River Edge  
11 Redevelopment Zone, including, but not limited to,  
12 transmission and distribution lines, transformers, and poles.  
13 These environmental remediation costs also include, but are not  
14 limited to, direct, indirect, and overhead costs calculated by  
15 the public utility for taxes or other charges, cost adjustments  
16 made after the project has begun, and any other environmental  
17 remediation-related charges. The public utility shall record  
18 and defer such costs as a regulatory asset to be included in  
19 the public utility's total rate base and amortized in the  
20 public utility's next filing for a general increase in rates  
21 over a reasonable period that is shorter than the life of the  
22 affected facility or facilities. Such regulatory assets shall  
23 be collected from all residential and commercial ratepayers  
24 system-wide, and not only from ratepayers in the municipality's  
25 corporate limits. In the event the River Edge Redevelopment  
26 Zone is decertified, the public utility shall be permitted to

1 recover all reasonable and prudent costs incurred as of the  
2 date of the decertification, as well as all reasonable and  
3 prudent costs incurred subsequent to decertification that are  
4 necessary to complete any projects commenced while the River  
5 Edge Redevelopment Zone was certified, consistent with this  
6 Section.

7 (e) This Section is repealed on July 1, 2020 ~~7 years after~~  
8 ~~the effective date of this amendatory Act of the 96th General~~  
9 ~~Assembly.~~

10 (Source: P.A. 96-1404, eff. 7-29-10.)