

104TH GENERAL ASSEMBLY**State of Illinois****2025 and 2026****HB3499**

Introduced 2/18/2025, by Rep. Eva-Dina Delgado

SYNOPSIS AS INTRODUCED:

See Index

Amends the Public Utilities Act. Changes the name of the Retail Electric Competition Article to the Retail and Renewable Electric Competition Article. Changes the name of the Retail Electric Competition Act of 2006 to the Retail and Renewable Electric Competition Act of 2006. Changes the name of the Office of Retail Market Development to the Office of Retail and Renewable Market Development and the title of the head of the Office from Director to Bureau Chief. Provides that the Bureau Chief shall have the authority to employ or otherwise retain at least 2 professionals dedicated to the task of actively seeking out ways to promote distributed renewable energy generation devices and community renewable generation projects in the State to benefit all State consumers. Provides that the Office shall actively seek input from all interested parties and shall develop a thorough understanding and critical analyses of the tools and techniques used to promote development and remove barriers to development of distributed renewable energy generation devices and community renewable generation projects. Provides that the Office shall take steps for interconnections involving distributed renewable energy resources, energy storage systems, utility-scale wind projects, and utility-scale solar projects, including interconnections to a distribution system or a transmission system. Provides that the Interconnection Working Group shall determine a single standardized cost for Level 1 interconnections, which shall not exceed \$200. Provides that, in collaboration with the General Counsel of the Commission, the Office shall develop policies and procedures to facilitate employees of the Office in leading the Interconnection Working Group without interference with docketed proceedings. Provides that the Office may employ, designate, or otherwise retain the services of an Ombudsperson who is responsible for oversight of a utility's compliance with the certain rules and any other utility interconnection policies or procedures. Sets forth provisions concerning the authority of the Ombudsperson and interconnection monitoring by the Office. Makes conforming and other changes.

LRB104 09282 AAS 19340 b

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 16-107.5 and the heading of Article XX and Sections
6 20-101, 20-102, 20-105, 20-110, and 20-130 and by adding
7 Sections 20-140 and 20-145 as follows:

8 (220 ILCS 5/16-107.5)

9 Sec. 16-107.5. Net electricity metering.

10 (a) The General Assembly finds and declares that a program
11 to provide net electricity metering, as defined in this
12 Section, for eligible customers can encourage private
13 investment in renewable energy resources, stimulate economic
14 growth, enhance the continued diversification of Illinois'
15 energy resource mix, and protect the Illinois environment.
16 Further, to achieve the goals of this Act that robust options
17 for customer-site distributed generation continue to thrive in
18 Illinois, the General Assembly finds that a predictable
19 transition must be ensured for customers between full net
20 metering at the retail electricity rate to the distribution
21 generation rebate described in Section 16-107.6.

22 (b) As used in this Section, (i) "community renewable
23 generation project" shall have the meaning set forth in

1 Section 1-10 of the Illinois Power Agency Act; (ii) "eligible
2 customer" means a retail customer that owns, hosts, or
3 operates, including any third-party owned systems, a solar,
4 wind, or other eligible renewable electrical generating
5 facility that is located on the customer's premises or
6 customer's side of the billing meter and is intended primarily
7 to offset the customer's own current or future electrical
8 requirements; (iii) "electricity provider" means an electric
9 utility or alternative retail electric supplier; (iv)
10 "eligible renewable electrical generating facility" means a
11 generator, which may include the co-location of an energy
12 storage system, that is interconnected under rules adopted by
13 the Commission and is powered by solar electric energy, wind,
14 dedicated crops grown for electricity generation, agricultural
15 residues, untreated and unadulterated wood waste, livestock
16 manure, anaerobic digestion of livestock or food processing
17 waste, fuel cells or microturbines powered by renewable fuels,
18 or hydroelectric energy; (v) "net electricity metering" (or
19 "net metering") means the measurement, during the billing
20 period applicable to an eligible customer, of the net amount
21 of electricity supplied by an electricity provider to the
22 customer or provided to the electricity provider by the
23 customer or subscriber; (vi) "subscriber" shall have the
24 meaning as set forth in Section 1-10 of the Illinois Power
25 Agency Act; (vii) "subscription" shall have the meaning set
26 forth in Section 1-10 of the Illinois Power Agency Act; (viii)

1 "energy storage system" means commercially available
2 technology that is capable of absorbing energy and storing it
3 for a period of time for use at a later time, including, but
4 not limited to, electrochemical, thermal, and
5 electromechanical technologies, and may be interconnected
6 behind the customer's meter or interconnected behind its own
7 meter; and (ix) "future electrical requirements" means modeled
8 electrical requirements upon occupation of a new or vacant
9 property, and other reasonable expectations of future
10 electrical use, as well as, for occupied properties, a
11 reasonable approximation of the annual load of 2 electric
12 vehicles and, for non-electric heating customers, a reasonable
13 approximation of the incremental electric load associated with
14 fuel switching. The approximations shall be applied to the
15 appropriate net metering tariff and do not need to be unique to
16 each individual eligible customer. The utility shall submit
17 these approximations to the Commission for review,
18 modification, and approval.

19 (c) A net metering facility shall be equipped with
20 metering equipment that can measure the flow of electricity in
21 both directions at the same rate.

22 (1) For eligible customers whose electric service has
23 not been declared competitive pursuant to Section 16-113
24 of this Act as of July 1, 2011 and whose electric delivery
25 service is provided and measured on a kilowatt-hour basis
26 and electric supply service is not provided based on

1 hourly pricing, this shall typically be accomplished
2 through use of a single, bi-directional meter. If the
3 eligible customer's existing electric revenue meter does
4 not meet this requirement, the electricity provider shall
5 arrange for the local electric utility or a meter service
6 provider to install and maintain a new revenue meter at
7 the electricity provider's expense, which may be the smart
8 meter described by subsection (b) of Section 16-108.5 of
9 this Act.

10 (2) For eligible customers whose electric service has
11 not been declared competitive pursuant to Section 16-113
12 of this Act as of July 1, 2011 and whose electric delivery
13 service is provided and measured on a kilowatt demand
14 basis and electric supply service is not provided based on
15 hourly pricing, this shall typically be accomplished
16 through use of a dual channel meter capable of measuring
17 the flow of electricity both into and out of the
18 customer's facility at the same rate and ratio. If such
19 customer's existing electric revenue meter does not meet
20 this requirement, then the electricity provider shall
21 arrange for the local electric utility or a meter service
22 provider to install and maintain a new revenue meter at
23 the electricity provider's expense, which may be the smart
24 meter described by subsection (b) of Section 16-108.5 of
25 this Act.

26 (3) For all other eligible customers, until such time

1 as the local electric utility installs a smart meter, as
2 described by subsection (b) of Section 16-108.5 of this
3 Act, the electricity provider may arrange for the local
4 electric utility or a meter service provider to install
5 and maintain metering equipment capable of measuring the
6 flow of electricity both into and out of the customer's
7 facility at the same rate and ratio, typically through the
8 use of a dual channel meter. If the eligible customer's
9 existing electric revenue meter does not meet this
10 requirement, then the costs of installing such equipment
11 shall be paid for by the customer.

12 (d) An electricity provider shall measure and charge or
13 credit for the net electricity supplied to eligible customers
14 or provided by eligible customers whose electric service has
15 not been declared competitive pursuant to Section 16-113 of
16 this Act as of July 1, 2011 and whose electric delivery service
17 is provided and measured on a kilowatt-hour basis and electric
18 supply service is not provided based on hourly pricing in the
19 following manner:

20 (1) If the amount of electricity used by the customer
21 during the billing period exceeds the amount of
22 electricity produced by the customer, the electricity
23 provider shall charge the customer for the net electricity
24 supplied to and used by the customer as provided in
25 subsection (e-5) of this Section.

26 (2) If the amount of electricity produced by a

1 customer during the billing period exceeds the amount of
2 electricity used by the customer during that billing
3 period, the electricity provider supplying that customer
4 shall apply a 1:1 kilowatt-hour credit to a subsequent
5 bill for service to the customer for the net electricity
6 supplied to the electricity provider. The electricity
7 provider shall continue to carry over any excess
8 kilowatt-hour credits earned and apply those credits to
9 subsequent billing periods to offset any
10 customer-generator consumption in those billing periods
11 until all credits are used or until the end of the
12 annualized period.

13 (3) At the end of the year or annualized over the
14 period that service is supplied by means of net metering,
15 or in the event that the retail customer terminates
16 service with the electricity provider prior to the end of
17 the year or the annualized period, any remaining credits
18 in the customer's account shall expire.

19 (d-5) An electricity provider shall measure and charge or
20 credit for the net electricity supplied to eligible customers
21 or provided by eligible customers whose electric service has
22 not been declared competitive pursuant to Section 16-113 of
23 this Act as of July 1, 2011 and whose electric delivery service
24 is provided and measured on a kilowatt-hour basis and electric
25 supply service is provided based on hourly pricing or
26 time-of-use rates in the following manner:

1 (1) If the amount of electricity used by the customer
2 during any hourly period or time-of-use period exceeds the
3 amount of electricity produced by the customer, the
4 electricity provider shall charge the customer for the net
5 electricity supplied to and used by the customer according
6 to the terms of the contract or tariff to which the same
7 customer would be assigned to or be eligible for if the
8 customer was not a net metering customer.

9 (2) If the amount of electricity produced by a
10 customer during any hourly period or time-of-use period
11 exceeds the amount of electricity used by the customer
12 during that hourly period or time-of-use period, the
13 energy provider shall apply a credit for the net
14 kilowatt-hours produced in such period. The credit shall
15 consist of an energy credit and a delivery service credit.
16 The energy credit shall be valued at the same price per
17 kilowatt-hour as the electric service provider would
18 charge for kilowatt-hour energy sales during that same
19 hourly period or time-of-use period. The delivery credit
20 shall be equal to the net kilowatt-hours produced in such
21 hourly period or time-of-use period times a credit that
22 reflects all kilowatt-hour based charges in the customer's
23 electric service rate, excluding energy charges.

24 (e) An electricity provider shall measure and charge or
25 credit for the net electricity supplied to eligible customers
26 whose electric service has not been declared competitive

1 pursuant to Section 16-113 of this Act as of July 1, 2011 and
2 whose electric delivery service is provided and measured on a
3 kilowatt demand basis and electric supply service is not
4 provided based on hourly pricing in the following manner:

5 (1) If the amount of electricity used by the customer
6 during the billing period exceeds the amount of
7 electricity produced by the customer, then the electricity
8 provider shall charge the customer for the net electricity
9 supplied to and used by the customer as provided in
10 subsection (e-5) of this Section. The customer shall
11 remain responsible for all taxes, fees, and utility
12 delivery charges that would otherwise be applicable to the
13 net amount of electricity used by the customer.

14 (2) If the amount of electricity produced by a
15 customer during the billing period exceeds the amount of
16 electricity used by the customer during that billing
17 period, then the electricity provider supplying that
18 customer shall apply a 1:1 kilowatt-hour credit that
19 reflects the kilowatt-hour based charges in the customer's
20 electric service rate to a subsequent bill for service to
21 the customer for the net electricity supplied to the
22 electricity provider. The electricity provider shall
23 continue to carry over any excess kilowatt-hour credits
24 earned and apply those credits to subsequent billing
25 periods to offset any customer-generator consumption in
26 those billing periods until all credits are used or until

1 the end of the annualized period.

2 (3) At the end of the year or annualized over the
3 period that service is supplied by means of net metering,
4 or in the event that the retail customer terminates
5 service with the electricity provider prior to the end of
6 the year or the annualized period, any remaining credits
7 in the customer's account shall expire.

8 (e-5) An electricity provider shall provide electric
9 service to eligible customers who utilize net metering at
10 non-discriminatory rates that are identical, with respect to
11 rate structure, retail rate components, and any monthly
12 charges, to the rates that the customer would be charged if not
13 a net metering customer. An electricity provider shall not
14 charge net metering customers any fee or charge or require
15 additional equipment, insurance, or any other requirements not
16 specifically authorized by interconnection standards
17 authorized by the Commission, unless the fee, charge, or other
18 requirement would apply to other similarly situated customers
19 who are not net metering customers. The customer will remain
20 responsible for all taxes, fees, and utility delivery charges
21 that would otherwise be applicable to the net amount of
22 electricity used by the customer. Subsections (c) through (e)
23 of this Section shall not be construed to prevent an
24 arms-length agreement between an electricity provider and an
25 eligible customer that sets forth different prices, terms, and
26 conditions for the provision of net metering service,

1 including, but not limited to, the provision of the
2 appropriate metering equipment for non-residential customers.

3 (f) Notwithstanding the requirements of subsections (c)
4 through (e-5) of this Section, an electricity provider must
5 require dual-channel metering for customers operating eligible
6 renewable electrical generating facilities to whom the
7 provisions of neither subsection (d), (d-5), nor (e) of this
8 Section apply. In such cases, electricity charges and credits
9 shall be determined as follows:

10 (1) The electricity provider shall assess and the
11 customer remains responsible for all taxes, fees, and
12 utility delivery charges that would otherwise be
13 applicable to the gross amount of kilowatt-hours supplied
14 to the eligible customer by the electricity provider.

15 (2) Each month that service is supplied by means of
16 dual-channel metering, the electricity provider shall
17 compensate the eligible customer for any excess
18 kilowatt-hour credits at the electricity provider's
19 avoided cost of electricity supply over the monthly period
20 or as otherwise specified by the terms of a power-purchase
21 agreement negotiated between the customer and electricity
22 provider.

23 (3) For all eligible net metering customers taking
24 service from an electricity provider under contracts or
25 tariffs employing hourly or time-of-use rates, any monthly
26 consumption of electricity shall be calculated according

1 to the terms of the contract or tariff to which the same
2 customer would be assigned to or be eligible for if the
3 customer was not a net metering customer. When those same
4 customer-generators are net generators during any discrete
5 hourly or time-of-use period, the net kilowatt-hours
6 produced shall be valued at the same price per
7 kilowatt-hour as the electric service provider would
8 charge for retail kilowatt-hour sales during that same
9 time-of-use period.

10 (g) For purposes of federal and State laws providing
11 renewable energy credits or greenhouse gas credits, the
12 eligible customer shall be treated as owning and having title
13 to the renewable energy attributes, renewable energy credits,
14 and greenhouse gas emission credits related to any electricity
15 produced by the qualified generating unit. The electricity
16 provider may not condition participation in a net metering
17 program on the signing over of a customer's renewable energy
18 credits; provided, however, this subsection (g) shall not be
19 construed to prevent an arms-length agreement between an
20 electricity provider and an eligible customer that sets forth
21 the ownership or title of the credits.

22 (h) Within 120 days after the effective date of this
23 amendatory Act of the 95th General Assembly, the Commission
24 shall establish standards for net metering and, if the
25 Commission has not already acted on its own initiative,
26 standards for the interconnection of eligible renewable

1 generating equipment to the utility system. The
2 interconnection standards shall address any procedural
3 barriers, delays, and administrative costs associated with the
4 interconnection of customer-generation while ensuring the
5 safety and reliability of the units and the electric utility
6 system. The Commission shall consider the Institute of
7 Electrical and Electronics Engineers (IEEE) Standard 1547 and
8 the issues of (i) reasonable and fair fees and costs, (ii)
9 clear timelines for major milestones in the interconnection
10 process, (iii) nondiscriminatory terms of agreement, and (iv)
11 any best practices for interconnection of distributed
12 generation.

13 (h-5) Within 90 days after the effective date of this
14 amendatory Act of the 102nd General Assembly, the Commission
15 shall:

16 (1) establish an Interconnection Working Group. The
17 working group shall include representatives from electric
18 utilities, developers of renewable electric generating
19 facilities, other industries that regularly apply for
20 interconnection with the electric utilities,
21 representatives of distributed generation customers, the
22 Commission Staff, and such other stakeholders with a
23 substantial interest in the topics addressed by the
24 Interconnection Working Group. The Interconnection Working
25 Group shall address at least the following issues:

26 (A) cost and best available technology for

1 interconnection and metering, including the
2 standardization and publication of standard costs;

3 (B) transparency, accuracy and use of the
4 distribution interconnection queue and hosting
5 capacity maps;

6 (C) distribution system upgrade cost avoidance
7 through use of advanced inverter functions;

8 (D) predictability of the queue management process
9 and enforcement of timelines;

10 (E) benefits and challenges associated with group
11 studies and cost sharing;

12 (F) minimum requirements for application to the
13 interconnection process and throughout the
14 interconnection process to avoid queue clogging
15 behavior;

16 (G) process and customer service for
17 interconnecting customers adopting distributed energy
18 resources, including energy storage;

19 (H) options for metering distributed energy
20 resources, including energy storage;

21 (I) interconnection of new technologies, including
22 smart inverters and energy storage;

23 (J) collect, share, and examine data on Level 1
24 interconnection costs, including cost and type of
25 upgrades required for interconnection, and use this
26 data to inform the final standardized cost of Level 1

1 interconnection; and

2 (K) such other technical, policy, and tariff
3 issues related to and affecting interconnection
4 performance and customer service as determined by the
5 Interconnection Working Group.

6 The Office of Retail and Renewable Market Development
7 ~~Commission~~ may create subcommittees of the Interconnection
8 Working Group to focus on specific issues of importance,
9 as appropriate. The Interconnection Working Group shall
10 report to the Office of Retail and Renewable Market
11 Development ~~Commission~~ on recommended improvements to
12 interconnection rules and tariffs and policies as
13 determined by the Interconnection Working Group at least
14 every year ~~6 months~~. Such reports shall include consensus
15 recommendations of the Interconnection Working Group and,
16 if applicable, additional recommendations for which
17 consensus was not reached. The Office of Retail and
18 Renewable Market Development ~~Commission~~ shall use the
19 report from the Interconnection Working Group to determine
20 whether processes should be commenced to formally codify
21 or implement the recommendations; and

22 (2) create or contract for an Ombudsman to resolve
23 interconnection disputes through non-binding arbitration.
24 The Ombudsman may be paid in full or in part through fees
25 levied on the initiators of the dispute. ~~and~~

26 ~~(3) determine a single standardized cost for Level 1~~

1 ~~interconnections, which shall not exceed \$200.~~

2 On and after the effective date of this amendatory Act of
3 the 104th General Assembly, the Office of Retail and Renewable
4 Market Development is responsible for the administration and
5 facilitation of the Working Group.

6 (i) All electricity providers shall begin to offer net
7 metering no later than April 1, 2008.

8 (j) An electricity provider shall provide net metering to
9 eligible customers according to subsections (d), (d-5), and
10 (e). Eligible renewable electrical generating facilities for
11 which eligible customers registered for net metering before
12 January 1, 2025 shall continue to receive net metering
13 services according to subsections (d), (d-5), and (e) of this
14 Section for the lifetime of the system, regardless of whether
15 those retail customers change electricity providers or whether
16 the retail customer benefiting from the system changes. On and
17 after January 1, 2025, any eligible customer that applies for
18 net metering and previously would have qualified under
19 subsections (d), (d-5), or (e) shall only be eligible for net
20 metering as described in subsection (n).

21 (k) Each electricity provider shall maintain records and
22 report annually to the Commission the total number of net
23 metering customers served by the provider, as well as the
24 type, capacity, and energy sources of the generating systems
25 used by the net metering customers. Nothing in this Section
26 shall limit the ability of an electricity provider to request

1 the redaction of information deemed by the Commission to be
2 confidential business information.

3 (1)(1) Notwithstanding the definition of "eligible
4 customer" in item (ii) of subsection (b) of this Section, each
5 electricity provider shall allow net metering as set forth in
6 this subsection (1) and for the following projects, provided
7 that only electric utilities serving more than 200,000
8 customers as of January 1, 2021 shall provide net metering for
9 projects that are eligible for subparagraph (C) of this
10 paragraph (1) and have energized after the effective date of
11 this amendatory Act of the 102nd General Assembly:

12 (A) properties owned or leased by multiple customers
13 that contribute to the operation of an eligible renewable
14 electrical generating facility through an ownership or
15 leasehold interest of at least 200 watts in such facility,
16 such as a community-owned wind project, a community-owned
17 biomass project, a community-owned solar project, or a
18 community methane digester processing livestock waste from
19 multiple sources, provided that the facility is also
20 located within the utility's service territory;

21 (B) individual units, apartments, or properties
22 located in a single building that are owned or leased by
23 multiple customers and collectively served by a common
24 eligible renewable electrical generating facility, such as
25 an office or apartment building, a shopping center or
26 strip mall served by photovoltaic panels on the roof; and

1 (C) subscriptions to community renewable generation
2 projects, including community renewable generation
3 projects on the customer's side of the billing meter of a
4 host facility and partially used for the customer's own
5 load.

6 In addition, the nameplate capacity of the eligible
7 renewable electric generating facility that serves the demand
8 of the properties, units, or apartments identified in
9 paragraphs (1) and (2) of this subsection (1) shall not exceed
10 5,000 kilowatts in nameplate capacity in total. Any eligible
11 renewable electrical generating facility or community
12 renewable generation project that is powered by photovoltaic
13 electric energy and installed after the effective date of this
14 amendatory Act of the 99th General Assembly must be installed
15 by a qualified person in compliance with the requirements of
16 Section 16-128A of the Public Utilities Act and any rules or
17 regulations adopted thereunder.

18 (2) Notwithstanding anything to the contrary, an
19 electricity provider shall provide credits for the electricity
20 produced by the projects described in paragraph (1) of this
21 subsection (1). The electricity provider shall provide credits
22 that include at least energy supply, capacity, transmission,
23 and, if applicable, the purchased energy adjustment on the
24 subscriber's monthly bill equal to the subscriber's share of
25 the production of electricity from the project, as determined
26 by paragraph (3) of this subsection (1). For customers with

1 transmission or capacity charges not charged on a
2 kilowatt-hour basis, the electricity provider shall prepare a
3 reasonable approximation of the kilowatt-hour equivalent value
4 and provide that value as a monetary credit. The electricity
5 provider shall submit these approximation methodologies to the
6 Commission for review, modification, and approval.
7 Notwithstanding anything to the contrary, customers on payment
8 plans or participating in budget billing programs shall have
9 credits applied on a monthly basis.

10 (3) Notwithstanding anything to the contrary and
11 regardless of whether a subscriber to an eligible community
12 renewable generation project receives power and energy service
13 from the electric utility or an alternative retail electric
14 supplier, for projects eligible under paragraph (C) of
15 subparagraph (1) of this subsection (1), electric utilities
16 serving more than 200,000 customers as of January 1, 2021
17 shall provide the monetary credits to a subscriber's
18 subsequent bill for the electricity produced by community
19 renewable generation projects. The electric utility shall
20 provide monetary credits to a subscriber's subsequent bill at
21 the utility's total price to compare equal to the subscriber's
22 share of the production of electricity from the project, as
23 determined by paragraph (5) of this subsection (1). For the
24 purposes of this subsection, "total price to compare" means
25 the rate or rates published by the Illinois Commerce
26 Commission for energy supply for eligible customers receiving

1 supply service from the electric utility, and shall include
2 energy, capacity, transmission, and the purchased energy
3 adjustment. Notwithstanding anything to the contrary,
4 customers on payment plans or participating in budget billing
5 programs shall have credits applied on a monthly basis. Any
6 applicable credit or reduction in load obligation from the
7 production of the community renewable generating projects
8 receiving a credit under this subsection shall be credited to
9 the electric utility to offset the cost of providing the
10 credit. To the extent that the credit or load obligation
11 reduction does not completely offset the cost of providing the
12 credit to subscribers of community renewable generation
13 projects as described in this subsection, the electric utility
14 may recover the remaining costs through its Multi-Year Rate
15 Plan. All electric utilities serving 200,000 or fewer
16 customers as of January 1, 2021 shall only provide the
17 monetary credits to a subscriber's subsequent bill for the
18 electricity produced by community renewable generation
19 projects if the subscriber receives power and energy service
20 from the electric utility. Alternative retail electric
21 suppliers providing power and energy service to a subscriber
22 located within the service territory of an electric utility
23 not subject to Sections 16-108.18 and 16-118 shall provide the
24 monetary credits to the subscriber's subsequent bill for the
25 electricity produced by community renewable generation
26 projects.

1 (4) If requested by the owner or operator of a community
2 renewable generating project, an electric utility serving more
3 than 200,000 customers as of January 1, 2021 shall enter into a
4 net crediting agreement with the owner or operator to include
5 a subscriber's subscription fee on the subscriber's monthly
6 electric bill and provide the subscriber with a net credit
7 equivalent to the total bill credit value for that generation
8 period minus the subscription fee, provided the subscription
9 fee is structured as a fixed percentage of bill credit value.
10 The net crediting agreement shall set forth payment terms from
11 the electric utility to the owner or operator of the community
12 renewable generating project, and the electric utility may
13 charge a net crediting fee to the owner or operator of a
14 community renewable generating project that may not exceed 2%
15 of the bill credit value. Notwithstanding anything to the
16 contrary, an electric utility serving 200,000 customers or
17 fewer as of January 1, 2021 shall not be obligated to enter
18 into a net crediting agreement with the owner or operator of a
19 community renewable generating project.

20 (5) For the purposes of facilitating net metering, the
21 owner or operator of the eligible renewable electrical
22 generating facility or community renewable generation project
23 shall be responsible for determining the amount of the credit
24 that each customer or subscriber participating in a project
25 under this subsection (1) is to receive in the following
26 manner:

1 (A) The owner or operator shall, on a monthly basis,
2 provide to the electric utility the kilowatthours of
3 generation attributable to each of the utility's retail
4 customers and subscribers participating in projects under
5 this subsection (1) in accordance with the customer's or
6 subscriber's share of the eligible renewable electric
7 generating facility's or community renewable generation
8 project's output of power and energy for such month. The
9 owner or operator shall electronically transmit such
10 calculations and associated documentation to the electric
11 utility, in a format or method set forth in the applicable
12 tariff, on a monthly basis so that the electric utility
13 can reflect the monetary credits on customers' and
14 subscribers' electric utility bills. The electric utility
15 shall be permitted to revise its tariffs to implement the
16 provisions of this amendatory Act of the 102nd General
17 Assembly. The owner or operator shall separately provide
18 the electric utility with the documentation detailing the
19 calculations supporting the credit in the manner set forth
20 in the applicable tariff.

21 (B) For those participating customers and subscribers
22 who receive their energy supply from an alternative retail
23 electric supplier, the electric utility shall remit to the
24 applicable alternative retail electric supplier the
25 information provided under subparagraph (A) of this
26 paragraph (3) for such customers and subscribers in a

1 manner set forth in such alternative retail electric
2 supplier's net metering program, or as otherwise agreed
3 between the utility and the alternative retail electric
4 supplier. The alternative retail electric supplier shall
5 then submit to the utility the amount of the charges for
6 power and energy to be applied to such customers and
7 subscribers, including the amount of the credit associated
8 with net metering.

9 (C) A participating customer or subscriber may provide
10 authorization as required by applicable law that directs
11 the electric utility to submit information to the owner or
12 operator of the eligible renewable electrical generating
13 facility or community renewable generation project to
14 which the customer or subscriber has an ownership or
15 leasehold interest or a subscription. Such information
16 shall be limited to the components of the net metering
17 credit calculated under this subsection (1), including the
18 bill credit rate, total kilowatthours, and total monetary
19 credit value applied to the customer's or subscriber's
20 bill for the monthly billing period.

21 (1-5) Within 90 days after the effective date of this
22 amendatory Act of the 102nd General Assembly, each electric
23 utility subject to this Section shall file a tariff or tariffs
24 to implement the provisions of subsection (1) of this Section,
25 which shall, consistent with the provisions of subsection (1),
26 describe the terms and conditions under which owners or

1 operators of qualifying properties, units, or apartments may
2 participate in net metering. The Commission shall approve, or
3 approve with modification, the tariff within 120 days after
4 the effective date of this amendatory Act of the 102nd General
5 Assembly.

6 (m) Nothing in this Section shall affect the right of an
7 electricity provider to continue to provide, or the right of a
8 retail customer to continue to receive service pursuant to a
9 contract for electric service between the electricity provider
10 and the retail customer in accordance with the prices, terms,
11 and conditions provided for in that contract. Either the
12 electricity provider or the customer may require compliance
13 with the prices, terms, and conditions of the contract.

14 (n) On and after January 1, 2025, the net metering
15 services described in subsections (d), (d-5), and (e) of this
16 Section shall no longer be offered, except as to those
17 eligible renewable electrical generating facilities for which
18 retail customers are receiving net metering service under
19 these subsections at the time the net metering services under
20 those subsections are no longer offered; those systems shall
21 continue to receive net metering services described in
22 subsections (d), (d-5), and (e) of this Section for the
23 lifetime of the system, regardless of if those retail
24 customers change electricity providers or whether the retail
25 customer benefiting from the system changes. The electric
26 utility serving more than 200,000 customers as of January 1,

1 2021 is responsible for ensuring the billing credits continue
2 without lapse for the lifetime of systems, as required in
3 subsection (o). Those retail customers that begin taking net
4 metering service after the date that net metering services are
5 no longer offered under such subsections shall be subject to
6 the provisions set forth in the following paragraphs (1)
7 through (3) of this subsection (n):

8 (1) An electricity provider shall charge or credit for
9 the net electricity supplied to eligible customers or
10 provided by eligible customers whose electric supply
11 service is not provided based on hourly pricing in the
12 following manner:

13 (A) If the amount of electricity used by the
14 customer during the monthly billing period exceeds the
15 amount of electricity produced by the customer, then
16 the electricity provider shall charge the customer for
17 the net kilowatt-hour based electricity charges
18 reflected in the customer's electric service rate
19 supplied to and used by the customer as provided in
20 paragraph (3) of this subsection (n).

21 (B) If the amount of electricity produced by a
22 customer during the monthly billing period exceeds the
23 amount of electricity used by the customer during that
24 billing period, then the electricity provider
25 supplying that customer shall apply a 1:1
26 kilowatt-hour energy or monetary credit kilowatt-hour

1 supply charges to the customer's subsequent bill. The
2 customer shall choose between 1:1 kilowatt-hour or
3 monetary credit at the time of application. For the
4 purposes of this subsection, "kilowatt-hour supply
5 charges" means the kilowatt-hour equivalent values for
6 energy, capacity, transmission, and the purchased
7 energy adjustment, if applicable. Notwithstanding
8 anything to the contrary, customers on payment plans
9 or participating in budget billing programs shall have
10 credits applied on a monthly basis. The electricity
11 provider shall continue to carry over any excess
12 kilowatt-hour or monetary energy credits earned and
13 apply those credits to subsequent billing periods. For
14 customers with transmission or capacity charges not
15 charged on a kilowatt-hour basis, the electricity
16 provider shall prepare a reasonable approximation of
17 the kilowatt-hour equivalent value and provide that
18 value as a monetary credit. The electricity provider
19 shall submit these approximation methodologies to the
20 Commission for review, modification, and approval.

21 (C) (Blank).

22 (2) An electricity provider shall charge or credit for
23 the net electricity supplied to eligible customers or
24 provided by eligible customers whose electric supply
25 service is provided based on hourly pricing in the
26 following manner:

1 (A) If the amount of electricity used by the
2 customer during any hourly period exceeds the amount
3 of electricity produced by the customer, then the
4 electricity provider shall charge the customer for the
5 net electricity supplied to and used by the customer
6 as provided in paragraph (3) of this subsection (n).

7 (B) If the amount of electricity produced by a
8 customer during any hourly period exceeds the amount
9 of electricity used by the customer during that hourly
10 period, the energy provider shall calculate an energy
11 credit for the net kilowatt-hours produced in such
12 period, and shall apply that credit as a monetary
13 credit to the customer's subsequent bill. The value of
14 the energy credit shall be calculated using the same
15 price per kilowatt-hour as the electric service
16 provider would charge for kilowatt-hour energy sales
17 during that same hourly period and shall also include
18 values for capacity and transmission. For customers
19 with transmission or capacity charges not charged on a
20 kilowatt-hour basis, the electricity provider shall
21 prepare a reasonable approximation of the
22 kilowatt-hour equivalent value and provide that value
23 as a monetary credit. The electricity provider shall
24 submit these approximation methodologies to the
25 Commission for review, modification, and approval.
26 Notwithstanding anything to the contrary, customers on

1 payment plans or participating in budget billing
2 programs shall have credits applied on a monthly
3 basis.

4 (3) An electricity provider shall provide electric
5 service to eligible customers who utilize net metering at
6 non-discriminatory rates that are identical, with respect
7 to rate structure, retail rate components, and any monthly
8 charges, to the rates that the customer would be charged
9 if not a net metering customer. An electricity provider
10 shall charge the customer for the net electricity supplied
11 to and used by the customer according to the terms of the
12 contract or tariff to which the same customer would be
13 assigned or be eligible for if the customer was not a net
14 metering customer. An electricity provider shall not
15 charge net metering customers any fee or charge or require
16 additional equipment, insurance, or any other requirements
17 not specifically authorized by interconnection standards
18 authorized by the Commission, unless the fee, charge, or
19 other requirement would apply to other similarly situated
20 customers who are not net metering customers. The customer
21 remains responsible for the gross amount of delivery
22 services charges, supply-related charges that are kilowatt
23 based, and all taxes and fees related to such charges. The
24 customer also remains responsible for all taxes and fees
25 that would otherwise be applicable to the net amount of
26 electricity used by the customer. Paragraphs (1) and (2)

1 of this subsection (n) shall not be construed to prevent
2 an arms-length agreement between an electricity provider
3 and an eligible customer that sets forth different prices,
4 terms, and conditions for the provision of net metering
5 service, including, but not limited to, the provision of
6 the appropriate metering equipment for non-residential
7 customers. Nothing in this paragraph (3) shall be
8 interpreted to mandate that a utility that is only
9 required to provide delivery services to a given customer
10 must also sell electricity to such customer.

11 (o) Within 90 days after the effective date of this
12 amendatory Act of the 102nd General Assembly, each electric
13 utility subject to this Section shall file a tariff, which
14 shall, consistent with the provisions of this Section, propose
15 the terms and conditions under which a customer may
16 participate in net metering. The tariff for electric utilities
17 serving more than 200,000 customers as of January 1, 2021
18 shall also provide a streamlined and transparent bill
19 crediting system for net metering to be managed by the
20 electric utilities. The terms and conditions shall include,
21 but are not limited to, that an electric utility shall manage
22 and maintain billing of net metering credits and charges
23 regardless of if the eligible customer takes net metering
24 under an electric utility or alternative retail electric
25 supplier. The electric utility serving more than 200,000
26 customers as of January 1, 2021 shall process and approve all

1 net metering applications, even if an eligible customer is
2 served by an alternative retail electric supplier; and the
3 utility shall forward application approval to the appropriate
4 alternative retail electric supplier. Eligibility for net
5 metering shall remain with the owner of the utility billing
6 address such that, if an eligible renewable electrical
7 generating facility changes ownership, the net metering
8 eligibility transfers to the new owner. The electric utility
9 serving more than 200,000 customers as of January 1, 2021
10 shall manage net metering billing for eligible customers to
11 ensure full crediting occurs on electricity bills, including,
12 but not limited to, ensuring net metering crediting begins
13 upon commercial operation date, net metering billing transfers
14 immediately if an eligible customer switches from an electric
15 utility to alternative retail electric supplier or vice versa,
16 and net metering billing transfers between ownership of a
17 valid billing address. All transfers referenced in the
18 preceding sentence shall include transfer of all banked
19 credits. All electric utilities serving 200,000 or fewer
20 customers as of January 1, 2021 shall manage net metering
21 billing for eligible customers receiving power and energy
22 service from the electric utility to ensure full crediting
23 occurs on electricity bills, ensuring net metering crediting
24 begins upon commercial operation date, net metering billing
25 transfers immediately if an eligible customer switches from an
26 electric utility to alternative retail electric supplier or

1 vice versa, and net metering billing transfers between
2 ownership of a valid billing address. Alternative retail
3 electric suppliers providing power and energy service to
4 eligible customers located within the service territory of an
5 electric utility serving 200,000 or fewer customers as of
6 January 1, 2021 shall manage net metering billing for eligible
7 customers to ensure full crediting occurs on electricity
8 bills, including, but not limited to, ensuring net metering
9 crediting begins upon commercial operation date, net metering
10 billing transfers immediately if an eligible customer switches
11 from an electric utility to alternative retail electric
12 supplier or vice versa, and net metering billing transfers
13 between ownership of a valid billing address.

14 (Source: P.A. 102-662, eff. 9-15-21.)

15 (220 ILCS 5/Art. XX heading)

16 ARTICLE XX. RETAIL AND RENEWABLE ELECTRIC COMPETITION

17 (Source: P.A. 94-1095, eff. 2-2-07.)

18 (220 ILCS 5/20-101)

19 Sec. 20-101. This Article may be cited as the Retail and
20 Renewable Electric Competition Act of 2006.

21 (Source: P.A. 94-1095, eff. 2-2-07.)

22 (220 ILCS 5/20-102)

23 Sec. 20-102. Findings and intent.

1 (a) A competitive wholesale electricity market alone will
2 not deliver the full benefits of competition to Illinois
3 consumers. For Illinois consumers to receive products, prices
4 and terms tailored to meet their needs, a competitive
5 wholesale electricity market must be closely linked to a
6 competitive retail electric market.

7 (b) To date, as a result of the Electric Service Customer
8 Choice and Rate Relief Law of 1997, thousands of large
9 Illinois commercial and industrial consumers have experienced
10 the benefits of a competitive retail electricity market.
11 Alternative electric retail suppliers actively compete to
12 supply electricity to large Illinois commercial and industrial
13 consumers with attractive prices, terms, and conditions.

14 (c) A competitive retail electric market does not yet
15 exist for residential and small commercial consumers. As a
16 result, millions of residential and small commercial consumers
17 in Illinois are faced with escalating heating and power bills
18 and are unable to shop for alternatives to the rates demanded
19 by the State's incumbent electric utilities.

20 (d) The General Assembly reiterates its findings from the
21 Electric Service Customer Choice and Rate Relief Law of 1997
22 that the Illinois Commerce Commission should promote the
23 development of an effectively competitive retail electricity
24 market that operates efficiently and benefits all Illinois
25 consumers.

26 (e) Distributed renewable energy resources, such as

1 distributed renewable energy generation devices and community
2 renewable generation projects, are effective at providing
3 electricity bill savings directly to customers and subscribers
4 and indirectly to the broader base of State electricity
5 consumers.

6 (f) Distributed renewable energy resources provide
7 substantial new capacity that directly supports the State's
8 resource adequacy and reliability while ensuring that the
9 State can meet its clean energy goals.

10 (g) Further development of distributed renewable energy
11 generation devices and community renewable generation projects
12 will encourage private investment in renewable energy
13 resources, support reliable electricity service, help the
14 State meets its clean energy goals, enhance the overall
15 economy of the State with good-paying jobs, stimulate economic
16 growth, enhance the continued diversification of the State's
17 energy resource mix, and protect the State's environment.

18 (h) The General Assembly reiterates its findings from the
19 Climate and Equitable Jobs Act (Public Act 102-662) and that
20 the Illinois Commerce Commission should enable and promote the
21 development of a robust market for distributed renewable
22 energy generation devices and community renewable generation
23 projects that benefits all State consumers.

24 (Source: P.A. 94-1095, eff. 2-2-07.)

1 Sec. 20-105. Definitions. In this Article:

2 "Bureau Chief Director" means the Bureau Chief
3 ~~Director~~ of the Office of Retail and Renewable Market
4 Development.

5 "Office" means the Office of Retail and Renewable
6 Market Development.

7 (Source: P.A. 94-1095, eff. 2-2-07.)

8 (220 ILCS 5/20-110)

9 Sec. 20-110. Office of Retail and Renewable Market
10 Development.

11 ~~(a) The Within 90 days after the effective date of this~~
12 ~~amendatory Act of the 94th General Assembly, subject to~~
13 ~~appropriation, the~~ Commission shall establish an Office of
14 Retail and Renewable Market Development and employ on its
15 staff a Bureau Chief of the Office Director of Retail and
16 Renewable Market Development to oversee the Office. The Bureau
17 Chief Director shall have authority to employ or otherwise
18 retain at least 2 professionals dedicated to the task of
19 actively seeking out ways to promote retail competition in the
20 State Illinois to benefit all State Illinois consumers. The
21 Bureau Chief shall have further authority to employ or
22 otherwise retain at least 2 professionals dedicated to the
23 task of actively seeking out ways to promote distributed
24 renewable energy generation devices and community renewable
25 generation projects in the State to benefit all State

1 consumers.

2 (b) The Office shall actively seek input from all
3 interested parties and shall develop a thorough understanding
4 and critical analyses of the tools and techniques used to
5 promote retail competition in other states.

6 The Office shall monitor existing competitive conditions
7 in the State Illinois, identify barriers to retail competition
8 for all customer classes, and actively explore and propose to
9 the Commission and to the General Assembly solutions to
10 overcome identified barriers. The Bureau Chief ~~Director~~ may
11 include municipal aggregation of customers and creating and
12 designing customer choice programs as tools for retail market
13 development. Solutions proposed by the Office to promote
14 retail competition must also promote safe, reliable, and
15 affordable electric service.

16 (c) The Office shall actively seek input from all
17 interested parties and shall develop a thorough understanding
18 and critical analyses of the tools and techniques used to
19 promote development and remove barriers to development of
20 distributed renewable energy generation devices and community
21 renewable generation projects. The Office shall take steps for
22 interconnections involving distributed renewable energy
23 resources, energy storage systems, utility-scale wind
24 projects, and utility-scale solar projects, including
25 interconnections to a distribution system or a transmission
26 system.

1 On or before July 31 of each year, the Bureau Chief
2 ~~Director~~ shall submit a report to the Commission, the General
3 Assembly, and the Governor, that details specific
4 accomplishments achieved by the Office in the prior 12 months
5 in promoting retail electric competition, distributed
6 renewable energy generation devices, and community renewable
7 generation projects and that suggests administrative and
8 legislative action necessary to promote further improvements
9 in retail electric competition, distributed renewable energy
10 generation devices, and community renewable generation
11 projects. On or before July 31, 2021 and each year thereafter,
12 the report shall include the information submitted to the
13 Commission pursuant to paragraph (iii) of subsection (a) of
14 Section 16-115A.

15 (Source: P.A. 101-590, eff. 1-1-20.)

16 (220 ILCS 5/20-130)

17 Sec. 20-130. Retail choice and referral programs.

18 (a) The Commission shall have the authority to establish
19 retail choice and referral programs to be administered by an
20 electric utility or the State in which residential and small
21 commercial customers receive incentives, including, but not
22 limited to, discounted rate introductory offers for switching
23 to participating electric suppliers.

24 (b) Reasonable costs associated with the implementation
25 and operation of customer choice and referral programs may be

1 recovered in an electric utility's distribution rates, except
2 that any costs associated with any introductory discount for
3 switching to a supplier shall be assumed by that supplier.
4 Reasonable costs associated with the implementation and
5 operation of a customer choice program may also be recovered
6 from retail electric suppliers participating in a customer
7 choice and referral program. In no event, however, shall the
8 Commission mandate a cost recovery mechanism without first
9 providing all interested parties notice and an opportunity to
10 be heard in a hearing before the Commission.

11 (c) The Office of Retail and Renewable Market Development
12 shall serve as the clearinghouse for the development of retail
13 choice and referral programs and shall work with electric
14 utilities and interested parties on a continuous basis to
15 implement and improve upon the programs. Nothing in this
16 Section, however, shall prevent an electric utility on its own
17 accord from implementing retail choice and referral programs.

18 (d) Only customers that qualify for utility service shall
19 be eligible for retail choice and referral programs.

20 (e) The Office of Retail and Renewable Market Development
21 shall immediately upon the effective date of this amendatory
22 Act of the 95th General Assembly explore for possible
23 implementation on as expedited a basis as possible the
24 following retail choice and referral programs:

25 (1) An introductory fixed discount program in which
26 suppliers participating in the program offer customers a

1 fixed percentage discount off of the electric utility's
2 supply rate for a set number of billing periods. Customers
3 would be able to enroll in the program by using an online
4 enrollment form, completing an enrollment card found in
5 their monthly electric utility bill, or by calling a
6 toll-free number. Customers would be free to withdraw from
7 the program at any time and select another alternative
8 retail electric supplier or return to the electric
9 utility.

10 (2) A new customer program in which electric utilities
11 would offer consumers initiating new electric service a
12 choice of offers from participating electric suppliers to
13 provide the consumer's electric supply service. Customers
14 expressing a preference for a specific electric supplier
15 would be enrolled with that supplier. Customers not
16 expressing a preference for a specific electric supplier
17 would be offered the opportunity to enroll with an
18 electric supplier selected randomly on a rotating basis.

19 (3) A customer service call center referral program in
20 which customers calling an electric utility's call center
21 would be offered enrollment with an alternative retail
22 electric supplier and informed that they have the option
23 to receive immediate savings or introductory offers by
24 participating in the referral program. Customers choosing
25 to participate would be transferred to a customer service
26 representative for the program and would either select the

1 electric supplier from which they would like to take
2 service or be placed with a participating electric
3 supplier chosen at random on a rotating basis.

4 Nothing in this Section shall prevent the Office of Retail
5 and Renewable Market Development or the Commission from
6 considering retail choice and referral programs in addition to
7 the programs outlined in this Section.

8 (Source: P.A. 95-700, eff. 11-9-07.)

9 (220 ILCS 5/20-140 new)

10 Sec. 20-140. Interconnection Working Group.

11 (a) The Interconnection Working Group, as described in
12 subsection (h-5) of Section 16-107.5 of this Act, shall
13 collect, share, and examine data on Level 1 interconnection
14 costs, including the cost and type of upgrades required for
15 interconnection, and use this data to inform the final
16 standardized cost of Level 1 interconnection. The
17 Interconnection Working Group shall determine a single
18 standardized cost for Level 1 interconnections, which shall
19 not exceed \$200.

20 (b) In collaboration with the General Counsel of the
21 Commission, the Office shall develop policies and procedures
22 to facilitate employees of the Office in leading the
23 Interconnection Working Group without interference with
24 docketed proceedings. The policies and procedures developed
25 under this subsection (b) shall be designed to allow the

1 Interconnection Working Group to work without interruption.

2 (220 ILCS 5/20-145 new)

3 Sec. 20-145. Interconnection monitoring.

4 (a) The Office may employ, designate or, otherwise retain
5 the services of an Ombudsperson who, in addition to the roles
6 described in this Act, is responsible for oversight of a
7 utility's compliance with the rules adopted under this Section
8 and any other utility interconnection policies or procedures.
9 The Ombudsperson may be paid in full or in part through fees
10 levied on the initiators of the dispute.

11 (b) The Ombudsperson may request, and each electric
12 utility shall timely provide, records and information as the
13 Ombudsperson may require from time to time to carry out his or
14 her duties under this Section.

15 (c) The Office shall monitor interconnection between
16 electric utilities and applicants for interconnection and
17 interconnection customers. The Office may request, and
18 electric utilities shall promptly provide, information and
19 records related to pending, successful, and terminated
20 interconnections. The Office shall take these steps for
21 interconnections involving distributed renewable energy
22 resources, energy storage systems, utility-scale wind
23 projects, and utility-scale solar projects, including
24 interconnections to a distribution system or a transmission
25 system.

1 (d) The Office may require electric utilities to perform a
2 system impact and facilities study to provide a detailed
3 breakdown of the non-binding costs of operation and an
4 estimate that individually itemizes operational costs,
5 including equipment by type or model, labor, operation and
6 maintenance, engineering and design, permitting, easements and
7 rights-of-way, direct overhead, and indirect overhead.

8 (e) The Office is authorized to establish an informal
9 interconnection dispute resolution process consistent with the
10 Commission's existing rules. Any dispute submitted pursuant to
11 the provisions of this subsection (e) shall be in a form and
12 manner as determined by the Bureau Chief. In addition to any
13 other dispute resolution provisions under the Commission's
14 rules, an electric utility, an interconnection customer, or an
15 interconnection applicant, may submit a dispute pursuant to
16 this subsection (e) and the Ombudsperson, or his or her
17 designee, shall provide a recommended resolution of such
18 dispute within 30 days after the Ombudsperson determines that
19 full information from all parties to the dispute has been
20 received. The electric utility, the interconnection customer,
21 the interconnection applicant, or any other party authorized
22 to initiate dispute resolution under the Commission's rules
23 authorized by this Act may include the Ombudsperson's
24 recommendation in any further formal dispute resolution before
25 the Commission. Nothing in this subsection (e) prohibits the
26 Ombudsperson from taking part in a dispute as required by this

1 Section or the Commission's rules.

2 (f) The Office is encouraged to include at least one
3 employee, at the Bureau Chief's discretion, with a background
4 in engineering of renewable resources and distribution
5 interconnections.

1 INDEX

2 Statutes amended in order of appearance

3 220 ILCS 5/16-107.5

4 220 ILCS 5/Art. XX heading

5 220 ILCS 5/20-101

6 220 ILCS 5/20-102

7 220 ILCS 5/20-105

8 220 ILCS 5/20-110

9 220 ILCS 5/20-130

10 220 ILCS 5/20-140 new

11 220 ILCS 5/20-145 new