



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

SB3970

Introduced 2/6/2026, by Sen. Seth Lewis

#### SYNOPSIS AS INTRODUCED:

220 ILCS 5/8-106 new

Amends the Public Utilities Act. Provides that, prior to approving or directing any decarbonization pathway, pilot program, infrastructure investment, or regulatory mandate related to the natural gas distribution system, the Commission shall conduct a comprehensive, independent cost-benefit analysis that evaluates: (i) life-cycle greenhouse gas emissions reductions; (ii) cumulative energy system costs, including any stranded asset risks estimated at no less than \$80,000,000,000 by 2050 under high-electrification scenarios; (iii) ratepayer bill impacts for all customer classes, with a focus on low-income and non-migrating customers; (iv) system reliability and safety under State standards; (v) equity impacts, including cost shifts to vulnerable populations; (vi) workforce and job impacts; and (vii) the extent to which competitive market mechanisms, such as private investment, third-party financing, and supplier competition, can achieve equivalent or superior outcomes at lower costs. Provides that the Commission shall not approve a decarbonization pathway, pilot program, infrastructure investment, or regulatory mandate unless the pathway, program, investment, or mandate demonstrates net benefits under the cost-benefit analysis without prioritizing an approach where regulated solutions increase costs without proportional benefits. Provides that the Commission shall use transparent, market-based data from sources such as PJM Interconnection, LLC (PJM), Midcontinent Independent System Operator, Inc. (MISO), and Chicago Citygate and coordinate with applicable biennial long-term gas infrastructure plans.

LRB104 19038 AAS 32483 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 8-106 as follows:

6 (220 ILCS 5/8-106 new)

7 Sec. 8-106. Natural gas distribution; cost-benefit  
8 analysis.

9 (a) Prior to approving or directing any decarbonization  
10 pathway, pilot program, infrastructure investment, or  
11 regulatory mandate related to the natural gas distribution  
12 system, the Commission shall conduct a comprehensive,  
13 independent cost-benefit analysis that evaluates:

14 (1) life-cycle greenhouse gas emissions reductions;

15 (2) cumulative energy system costs, including any  
16 stranded asset risks estimated at no less than  
17 \$80,000,000,000 by 2050 under high-electrification  
18 scenarios;

19 (3) ratepayer bill impacts for all customers, with a  
20 focus on low-income and non-migrating customers;

21 (4) system reliability and safety under State  
22 standards;

23 (5) equity impacts, including cost shifts to

1 vulnerable populations;

2 (6) workforce and job impacts; and

3 (7) the extent to which competitive market mechanisms,  
4 such as private investment, third-party financing, and  
5 supplier competition, can achieve equivalent or superior  
6 outcomes at lower costs.

7 (b) The Commission shall not approve a decarbonization  
8 pathway, pilot program, infrastructure investment, or  
9 regulatory mandate unless the pathway, program, investment, or  
10 mandate demonstrates net benefits under the cost-benefit  
11 analysis without prioritizing an approach where regulated  
12 solutions increase costs without proportional benefits. The  
13 Commission shall use transparent, market-based data from  
14 sources such as PJM Interconnection, LLC (PJM), Midcontinent  
15 Independent System Operator, Inc. (MISO), and Chicago Citygate  
16 and coordinate with applicable biennial long-term gas  
17 infrastructure plans.