



## 102ND GENERAL ASSEMBLY

### State of Illinois

2021 and 2022

SB2433

Introduced 2/26/2021, by Sen. Bill Cunningham

#### SYNOPSIS AS INTRODUCED:

220 ILCS 5/16-108

Amends the Public Utilities Act. In provisions concerning recovery of the costs associated with the purchase of zero emission credits from zero emission facilities, authorizes the collection of certain charges relating to renewable resources through the delivery year beginning June 1, 2021 (rather than June 1, 2019). Provides that the Illinois Commerce Commission shall not conduct an annual review, reconciliation, and true-up associated with renewable energy resources' collections and costs through the delivery year commencing June 1, 2021 (rather than June 1, 2020) and shall instead conduct a single review, reconciliation, and true-up associated with renewable energy resources' collections and costs for the period beginning June 1, 2017 and ending May 31, 2022 (rather than May 31, 2021), provided that the review, reconciliation, and true-up shall not be initiated until after August 31, 2022 (rather than August 31, 2021). Makes conforming changes. Effective immediately.

LRB102 17324 SPS 22814 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

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 16-108 as follows:

6 (220 ILCS 5/16-108)

7 Sec. 16-108. Recovery of costs associated with the  
8 provision of delivery and other services.

9 (a) An electric utility shall file a delivery services  
10 tariff with the Commission at least 210 days prior to the date  
11 that it is required to begin offering such services pursuant  
12 to this Act. An electric utility shall provide the components  
13 of delivery services that are subject to the jurisdiction of  
14 the Federal Energy Regulatory Commission at the same prices,  
15 terms and conditions set forth in its applicable tariff as  
16 approved or allowed into effect by that Commission. The  
17 Commission shall otherwise have the authority pursuant to  
18 Article IX to review, approve, and modify the prices, terms  
19 and conditions of those components of delivery services not  
20 subject to the jurisdiction of the Federal Energy Regulatory  
21 Commission, including the authority to determine the extent to  
22 which such delivery services should be offered on an unbundled  
23 basis. In making any such determination the Commission shall

1 consider, at a minimum, the effect of additional unbundling on  
2 (i) the objective of just and reasonable rates, (ii) electric  
3 utility employees, and (iii) the development of competitive  
4 markets for electric energy services in Illinois.

5 (b) The Commission shall enter an order approving, or  
6 approving as modified, the delivery services tariff no later  
7 than 30 days prior to the date on which the electric utility  
8 must commence offering such services. The Commission may  
9 subsequently modify such tariff pursuant to this Act.

10 (c) The electric utility's tariffs shall define the  
11 classes of its customers for purposes of delivery services  
12 charges. Delivery services shall be priced and made available  
13 to all retail customers electing delivery services in each  
14 such class on a nondiscriminatory basis regardless of whether  
15 the retail customer chooses the electric utility, an affiliate  
16 of the electric utility, or another entity as its supplier of  
17 electric power and energy. Charges for delivery services shall  
18 be cost based, and shall allow the electric utility to recover  
19 the costs of providing delivery services through its charges  
20 to its delivery service customers that use the facilities and  
21 services associated with such costs. Such costs shall include  
22 the costs of owning, operating and maintaining transmission  
23 and distribution facilities. The Commission shall also be  
24 authorized to consider whether, and if so to what extent, the  
25 following costs are appropriately included in the electric  
26 utility's delivery services rates: (i) the costs of that

1 portion of generation facilities used for the production and  
2 absorption of reactive power in order that retail customers  
3 located in the electric utility's service area can receive  
4 electric power and energy from suppliers other than the  
5 electric utility, and (ii) the costs associated with the use  
6 and redispatch of generation facilities to mitigate  
7 constraints on the transmission or distribution system in  
8 order that retail customers located in the electric utility's  
9 service area can receive electric power and energy from  
10 suppliers other than the electric utility. Nothing in this  
11 subsection shall be construed as directing the Commission to  
12 allocate any of the costs described in (i) or (ii) that are  
13 found to be appropriately included in the electric utility's  
14 delivery services rates to any particular customer group or  
15 geographic area in setting delivery services rates.

16 (d) The Commission shall establish charges, terms and  
17 conditions for delivery services that are just and reasonable  
18 and shall take into account customer impacts when establishing  
19 such charges. In establishing charges, terms and conditions  
20 for delivery services, the Commission shall take into account  
21 voltage level differences. A retail customer shall have the  
22 option to request to purchase electric service at any delivery  
23 service voltage reasonably and technically feasible from the  
24 electric facilities serving that customer's premises provided  
25 that there are no significant adverse impacts upon system  
26 reliability or system efficiency. A retail customer shall also

1 have the option to request to purchase electric service at any  
2 point of delivery that is reasonably and technically feasible  
3 provided that there are no significant adverse impacts on  
4 system reliability or efficiency. Such requests shall not be  
5 unreasonably denied.

6 (e) Electric utilities shall recover the costs of  
7 installing, operating or maintaining facilities for the  
8 particular benefit of one or more delivery services customers,  
9 including without limitation any costs incurred in complying  
10 with a customer's request to be served at a different voltage  
11 level, directly from the retail customer or customers for  
12 whose benefit the costs were incurred, to the extent such  
13 costs are not recovered through the charges referred to in  
14 subsections (c) and (d) of this Section.

15 (f) An electric utility shall be entitled but not required  
16 to implement transition charges in conjunction with the  
17 offering of delivery services pursuant to Section 16-104. If  
18 an electric utility implements transition charges, it shall  
19 implement such charges for all delivery services customers and  
20 for all customers described in subsection (h), but shall not  
21 implement transition charges for power and energy that a  
22 retail customer takes from cogeneration or self-generation  
23 facilities located on that retail customer's premises, if such  
24 facilities meet the following criteria:

25 (i) the cogeneration or self-generation facilities  
26 serve a single retail customer and are located on that

1 retail customer's premises (for purposes of this  
2 subparagraph and subparagraph (ii), an industrial or  
3 manufacturing retail customer and a third party contractor  
4 that is served by such industrial or manufacturing  
5 customer through such retail customer's own electrical  
6 distribution facilities under the circumstances described  
7 in subsection (vi) of the definition of "alternative  
8 retail electric supplier" set forth in Section 16-102,  
9 shall be considered a single retail customer);

10 (ii) the cogeneration or self-generation facilities  
11 either (A) are sized pursuant to generally accepted  
12 engineering standards for the retail customer's electrical  
13 load at that premises (taking into account standby or  
14 other reliability considerations related to that retail  
15 customer's operations at that site) or (B) if the facility  
16 is a cogeneration facility located on the retail  
17 customer's premises, the retail customer is the thermal  
18 host for that facility and the facility has been designed  
19 to meet that retail customer's thermal energy requirements  
20 resulting in electrical output beyond that retail  
21 customer's electrical demand at that premises, comply with  
22 the operating and efficiency standards applicable to  
23 "qualifying facilities" specified in title 18 Code of  
24 Federal Regulations Section 292.205 as in effect on the  
25 effective date of this amendatory Act of 1999;

26 (iii) the retail customer on whose premises the

1 facilities are located either has an exclusive right to  
2 receive, and corresponding obligation to pay for, all of  
3 the electrical capacity of the facility, or in the case of  
4 a cogeneration facility that has been designed to meet the  
5 retail customer's thermal energy requirements at that  
6 premises, an identified amount of the electrical capacity  
7 of the facility, over a minimum 5-year period; and

8 (iv) if the cogeneration facility is sized for the  
9 retail customer's thermal load at that premises but  
10 exceeds the electrical load, any sales of excess power or  
11 energy are made only at wholesale, are subject to the  
12 jurisdiction of the Federal Energy Regulatory Commission,  
13 and are not for the purpose of circumventing the  
14 provisions of this subsection (f).

15 If a generation facility located at a retail customer's  
16 premises does not meet the above criteria, an electric utility  
17 implementing transition charges shall implement a transition  
18 charge until December 31, 2006 for any power and energy taken  
19 by such retail customer from such facility as if such power and  
20 energy had been delivered by the electric utility. Provided,  
21 however, that an industrial retail customer that is taking  
22 power from a generation facility that does not meet the above  
23 criteria but that is located on such customer's premises will  
24 not be subject to a transition charge for the power and energy  
25 taken by such retail customer from such generation facility if  
26 the facility does not serve any other retail customer and

1 either was installed on behalf of the customer and for its own  
2 use prior to January 1, 1997, or is both predominantly fueled  
3 by byproducts of such customer's manufacturing process at such  
4 premises and sells or offers an average of 300 megawatts or  
5 more of electricity produced from such generation facility  
6 into the wholesale market. Such charges shall be calculated as  
7 provided in Section 16-102, and shall be collected on each  
8 kilowatt-hour delivered under a delivery services tariff to a  
9 retail customer from the date the customer first takes  
10 delivery services until December 31, 2006 except as provided  
11 in subsection (h) of this Section. Provided, however, that an  
12 electric utility, other than an electric utility providing  
13 service to at least 1,000,000 customers in this State on  
14 January 1, 1999, shall be entitled to petition for entry of an  
15 order by the Commission authorizing the electric utility to  
16 implement transition charges for an additional period ending  
17 no later than December 31, 2008. The electric utility shall  
18 file its petition with supporting evidence no earlier than 16  
19 months, and no later than 12 months, prior to December 31,  
20 2006. The Commission shall hold a hearing on the electric  
21 utility's petition and shall enter its order no later than 8  
22 months after the petition is filed. The Commission shall  
23 determine whether and to what extent the electric utility  
24 shall be authorized to implement transition charges for an  
25 additional period. The Commission may authorize the electric  
26 utility to implement transition charges for some or all of the



1 additional period, and shall determine the mitigation factors  
2 to be used in implementing such transition charges; provided,  
3 that the Commission shall not authorize mitigation factors  
4 less than 110% of those in effect during the 12 months ended  
5 December 31, 2006. In making its determination, the Commission  
6 shall consider the following factors: the necessity to  
7 implement transition charges for an additional period in order  
8 to maintain the financial integrity of the electric utility;  
9 the prudence of the electric utility's actions in reducing its  
10 costs since the effective date of this amendatory Act of 1997;  
11 the ability of the electric utility to provide safe, adequate  
12 and reliable service to retail customers in its service area;  
13 and the impact on competition of allowing the electric utility  
14 to implement transition charges for the additional period.

15 (g) The electric utility shall file tariffs that establish  
16 the transition charges to be paid by each class of customers to  
17 the electric utility in conjunction with the provision of  
18 delivery services. The electric utility's tariffs shall define  
19 the classes of its customers for purposes of calculating  
20 transition charges. The electric utility's tariffs shall  
21 provide for the calculation of transition charges on a  
22 customer-specific basis for any retail customer whose average  
23 monthly maximum electrical demand on the electric utility's  
24 system during the 6 months with the customer's highest monthly  
25 maximum electrical demands equals or exceeds 3.0 megawatts for  
26 electric utilities having more than 1,000,000 customers, and

1 for other electric utilities for any customer that has an  
2 average monthly maximum electrical demand on the electric  
3 utility's system of one megawatt or more, and (A) for which  
4 there exists data on the customer's usage during the 3 years  
5 preceding the date that the customer became eligible to take  
6 delivery services, or (B) for which there does not exist data  
7 on the customer's usage during the 3 years preceding the date  
8 that the customer became eligible to take delivery services,  
9 if in the electric utility's reasonable judgment there exists  
10 comparable usage information or a sufficient basis to develop  
11 such information, and further provided that the electric  
12 utility can require customers for which an individual  
13 calculation is made to sign contracts that set forth the  
14 transition charges to be paid by the customer to the electric  
15 utility pursuant to the tariff.

16 (h) An electric utility shall also be entitled to file  
17 tariffs that allow it to collect transition charges from  
18 retail customers in the electric utility's service area that  
19 do not take delivery services but that take electric power or  
20 energy from an alternative retail electric supplier or from an  
21 electric utility other than the electric utility in whose  
22 service area the customer is located. Such charges shall be  
23 calculated, in accordance with the definition of transition  
24 charges in Section 16-102, for the period of time that the  
25 customer would be obligated to pay transition charges if it  
26 were taking delivery services, except that no deduction for

1 delivery services revenues shall be made in such calculation,  
2 and usage data from the customer's class shall be used where  
3 historical usage data is not available for the individual  
4 customer. The customer shall be obligated to pay such charges  
5 on a lump sum basis on or before the date on which the customer  
6 commences to take service from the alternative retail electric  
7 supplier or other electric utility, provided, that the  
8 electric utility in whose service area the customer is located  
9 shall offer the customer the option of signing a contract  
10 pursuant to which the customer pays such charges ratably over  
11 the period in which the charges would otherwise have applied.

12 (i) An electric utility shall be entitled to add to the  
13 bills of delivery services customers charges pursuant to  
14 Sections 9-221, 9-222 (except as provided in Section 9-222.1),  
15 and Section 16-114 of this Act, Section 5-5 of the Electricity  
16 Infrastructure Maintenance Fee Law, Section 6-5 of the  
17 Renewable Energy, Energy Efficiency, and Coal Resources  
18 Development Law of 1997, and Section 13 of the Energy  
19 Assistance Act.

20 (j) If a retail customer that obtains electric power and  
21 energy from cogeneration or self-generation facilities  
22 installed for its own use on or before January 1, 1997,  
23 subsequently takes service from an alternative retail electric  
24 supplier or an electric utility other than the electric  
25 utility in whose service area the customer is located for any  
26 portion of the customer's electric power and energy

1 requirements formerly obtained from those facilities  
2 (including that amount purchased from the utility in lieu of  
3 such generation and not as standby power purchases, under a  
4 cogeneration displacement tariff in effect as of the effective  
5 date of this amendatory Act of 1997), the transition charges  
6 otherwise applicable pursuant to subsections (f), (g), or (h)  
7 of this Section shall not be applicable in any year to that  
8 portion of the customer's electric power and energy  
9 requirements formerly obtained from those facilities,  
10 provided, that for purposes of this subsection (j), such  
11 portion shall not exceed the average number of kilowatt-hours  
12 per year obtained from the cogeneration or self-generation  
13 facilities during the 3 years prior to the date on which the  
14 customer became eligible for delivery services, except as  
15 provided in subsection (f) of Section 16-110.

16 (k) The electric utility shall be entitled to recover  
17 through tariffed charges all of the costs associated with the  
18 purchase of zero emission credits from zero emission  
19 facilities to meet the requirements of subsection (d-5) of  
20 Section 1-75 of the Illinois Power Agency Act. Such costs  
21 shall include the costs of procuring the zero emission  
22 credits, as well as the reasonable costs that the utility  
23 incurs as part of the procurement processes and to implement  
24 and comply with plans and processes approved by the Commission  
25 under such subsection (d-5). The costs shall be allocated  
26 across all retail customers through a single, uniform cents

1 per kilowatt-hour charge applicable to all retail customers,  
2 which shall appear as a separate line item on each customer's  
3 bill. Beginning June 1, 2017, the electric utility shall be  
4 entitled to recover through tariffed charges all of the costs  
5 associated with the purchase of renewable energy resources to  
6 meet the renewable energy resource standards of subsection (c)  
7 of Section 1-75 of the Illinois Power Agency Act, under  
8 procurement plans as approved in accordance with that Section  
9 and Section 16-111.5 of this Act. Such costs shall include the  
10 costs of procuring the renewable energy resources, as well as  
11 the reasonable costs that the utility incurs as part of the  
12 procurement processes and to implement and comply with plans  
13 and processes approved by the Commission under such Sections.  
14 The costs associated with the purchase of renewable energy  
15 resources shall be allocated across all retail customers in  
16 proportion to the amount of renewable energy resources the  
17 utility procures for such customers through a single, uniform  
18 cents per kilowatt-hour charge applicable to such retail  
19 customers, which shall appear as a separate line item on each  
20 such customer's bill.

21 Notwithstanding whether the Commission has approved the  
22 initial long-term renewable resources procurement plan as of  
23 June 1, 2017, an electric utility shall place new tariffed  
24 charges into effect beginning with the June 2017 monthly  
25 billing period, to the extent practicable, to begin recovering  
26 the costs of procuring renewable energy resources, as those

1 charges are calculated under the limitations described in  
2 subparagraph (E) of paragraph (1) of subsection (c) of Section  
3 1-75 of the Illinois Power Agency Act. Notwithstanding the  
4 date on which the utility places such new tariffed charges  
5 into effect, the utility shall be permitted to collect the  
6 charges under such tariff as if the tariff had been in effect  
7 beginning with the first day of the June 2017 monthly billing  
8 period. For the delivery years commencing June 1, 2017, June  
9 1, 2018, ~~and~~ June 1, 2019, June 1, 2020, and June 1, 2021, the  
10 electric utility shall deposit into a separate interest  
11 bearing account of a financial institution the monies  
12 collected under the tariffed charges. Any interest earned  
13 shall be credited back to retail customers under the  
14 reconciliation proceeding provided for in this subsection (k),  
15 provided that the electric utility shall first be reimbursed  
16 from the interest for the administrative costs that it incurs  
17 to administer and manage the account. Any taxes due on the  
18 funds in the account, or interest earned on it, will be paid  
19 from the account or, if insufficient monies are available in  
20 the account, from the monies collected under the tariffed  
21 charges to recover the costs of procuring renewable energy  
22 resources. Monies deposited in the account shall be subject to  
23 the review, reconciliation, and true-up process described in  
24 this subsection (k) that is applicable to the funds collected  
25 and costs incurred for the procurement of renewable energy  
26 resources.

1           The electric utility shall be entitled to recover all of  
2 the costs identified in this subsection (k) through automatic  
3 adjustment clause tariffs applicable to all of the utility's  
4 retail customers that allow the electric utility to adjust its  
5 tariffed charges consistent with this subsection (k). The  
6 determination as to whether any excess funds were collected  
7 during a given delivery year for the purchase of renewable  
8 energy resources, and the crediting of any excess funds back  
9 to retail customers, shall not be made until after the close of  
10 the delivery year, which will ensure that the maximum amount  
11 of funds is available to implement the approved long-term  
12 renewable resources procurement plan during a given delivery  
13 year. The electric utility's collections under such automatic  
14 adjustment clause tariffs to recover the costs of renewable  
15 energy resources and zero emission credits from zero emission  
16 facilities shall be subject to separate annual review,  
17 reconciliation, and true-up against actual costs by the  
18 Commission under a procedure that shall be specified in the  
19 electric utility's automatic adjustment clause tariffs and  
20 that shall be approved by the Commission in connection with  
21 its approval of such tariffs. The procedure shall provide that  
22 any difference between the electric utility's collections  
23 under the automatic adjustment charges for an annual period  
24 and the electric utility's actual costs of renewable energy  
25 resources and zero emission credits from zero emission  
26 facilities for that same annual period shall be refunded to or

1 collected from, as applicable, the electric utility's retail  
2 customers in subsequent periods.

3 Nothing in this subsection (k) is intended to affect,  
4 limit, or change the right of the electric utility to recover  
5 the costs associated with the procurement of renewable energy  
6 resources for periods commencing before, on, or after June 1,  
7 2017, as otherwise provided in the Illinois Power Agency Act.

8 Notwithstanding anything to the contrary, the Commission  
9 shall not conduct an annual review, reconciliation, and  
10 true-up associated with renewable energy resources'  
11 collections and costs for the delivery years commencing June  
12 1, 2017, June 1, 2018, June 1, 2019, ~~and~~ June 1, 2020, and June  
13 1, 2021, and shall instead conduct a single review,  
14 reconciliation, and true-up associated with renewable energy  
15 resources' collections and costs for the 5-year ~~4-year~~ period  
16 beginning June 1, 2017 and ending May 31, 2022 ~~2021~~, provided  
17 that the review, reconciliation, and true-up shall not be  
18 initiated until after August 31, 2022 ~~2021~~. During the 5-year  
19 ~~4-year~~ period, the utility shall be permitted to collect and  
20 retain funds under this subsection (k) and to purchase  
21 renewable energy resources under an approved long-term  
22 renewable resources procurement plan using those funds  
23 regardless of the delivery year in which the funds were  
24 collected during the 5-year ~~4-year~~ period.

25 If the amount of funds collected during the delivery year  
26 commencing June 1, 2017, exceeds the costs incurred during



1 that delivery year, then up to half of this excess amount, as  
2 calculated on June 1, 2018, may be used to fund the programs  
3 under subsection (b) of Section 1-56 of the Illinois Power  
4 Agency Act in the same proportion the programs are funded  
5 under that subsection (b). However, any amount identified  
6 under this subsection (k) to fund programs under subsection  
7 (b) of Section 1-56 of the Illinois Power Agency Act shall be  
8 reduced if it exceeds the funding shortfall. For purposes of  
9 this Section, "funding shortfall" means the difference between  
10 \$200,000,000 and the amount appropriated by the General  
11 Assembly to the Illinois Power Agency Renewable Energy  
12 Resources Fund during the period that commences on the  
13 effective date of this amendatory act of the 99th General  
14 Assembly and ends on August 1, 2018.

15 If the amount of funds collected during the delivery year  
16 commencing June 1, 2018, exceeds the costs incurred during  
17 that delivery year, then up to half of this excess amount, as  
18 calculated on June 1, 2019, may be used to fund the programs  
19 under subsection (b) of Section 1-56 of the Illinois Power  
20 Agency Act in the same proportion the programs are funded  
21 under that subsection (b). However, any amount identified  
22 under this subsection (k) to fund programs under subsection  
23 (b) of Section 1-56 of the Illinois Power Agency Act shall be  
24 reduced if it exceeds the funding shortfall.

25 If the amount of funds collected during the delivery year  
26 commencing June 1, 2019, exceeds the costs incurred during

1 that delivery year, then up to half of this excess amount, as  
2 calculated on June 1, 2020, may be used to fund the programs  
3 under subsection (b) of Section 1-56 of the Illinois Power  
4 Agency Act in the same proportion the programs are funded  
5 under that subsection (b). However, any amount identified  
6 under this subsection (k) to fund programs under subsection  
7 (b) of Section 1-56 of the Illinois Power Agency Act shall be  
8 reduced if it exceeds the funding shortfall.

9 The funding available under this subsection (k), if any,  
10 for the programs described under subsection (b) of Section  
11 1-56 of the Illinois Power Agency Act shall not reduce the  
12 amount of funding for the programs described in subparagraph  
13 (O) of paragraph (1) of subsection (c) of Section 1-75 of the  
14 Illinois Power Agency Act. If funding is available under this  
15 subsection (k) for programs described under subsection (b) of  
16 Section 1-56 of the Illinois Power Agency Act, then the  
17 long-term renewable resources plan shall provide for the  
18 Agency to procure contracts in an amount that does not exceed  
19 the funding, and the contracts approved by the Commission  
20 shall be executed by the applicable utility or utilities.

21 (1) A utility that has terminated any contract executed  
22 under subsection (d-5) of Section 1-75 of the Illinois Power  
23 Agency Act shall be entitled to recover any remaining balance  
24 associated with the purchase of zero emission credits prior to  
25 such termination, and such utility shall also apply a credit  
26 to its retail customer bills in the event of any

1 over-collection.

2 (m) (1) An electric utility that recovers its costs of  
3 procuring zero emission credits from zero emission  
4 facilities through a cents-per-kilowatthour charge under  
5 to subsection (k) of this Section shall be subject to the  
6 requirements of this subsection (m). Notwithstanding  
7 anything to the contrary, such electric utility shall,  
8 beginning on April 30, 2018, and each April 30 thereafter  
9 until April 30, 2026, calculate whether any reduction must  
10 be applied to such cents-per-kilowatthour charge that is  
11 paid by retail customers of the electric utility that are  
12 exempt from subsections (a) through (j) of Section 8-103B  
13 of this Act under subsection (l) of Section 8-103B. Such  
14 charge shall be reduced for such customers for the next  
15 delivery year commencing on June 1 based on the amount  
16 necessary, if any, to limit the annual estimated average  
17 net increase for the prior calendar year due to the future  
18 energy investment costs to no more than 1.3% of 5.98 cents  
19 per kilowatt-hour, which is the average amount paid per  
20 kilowatthour for electric service during the year ending  
21 December 31, 2015 by Illinois industrial retail customers,  
22 as reported to the Edison Electric Institute.

23 The calculations required by this subsection (m) shall  
24 be made only once for each year, and no subsequent rate  
25 impact determinations shall be made.

26 (2) For purposes of this Section, "future energy

1 investment costs" shall be calculated by subtracting the  
2 cents-per-kilowatthour charge identified in subparagraph  
3 (A) of this paragraph (2) from the sum of the  
4 cents-per-kilowatthour charges identified in subparagraph  
5 (B) of this paragraph (2):

6 (A) The cents-per-kilowatthour charge identified  
7 in the electric utility's tariff placed into effect  
8 under Section 8-103 of the Public Utilities Act that,  
9 on December 1, 2016, was applicable to those retail  
10 customers that are exempt from subsections (a) through  
11 (j) of Section 8-103B of this Act under subsection (l)  
12 of Section 8-103B.

13 (B) The sum of the following  
14 cents-per-kilowatthour charges applicable to those  
15 retail customers that are exempt from subsections (a)  
16 through (j) of Section 8-103B of this Act under  
17 subsection (l) of Section 8-103B, provided that if one  
18 or more of the following charges has been in effect and  
19 applied to such customers for more than one calendar  
20 year, then each charge shall be equal to the average of  
21 the charges applied over a period that commences with  
22 the calendar year ending December 31, 2017 and ends  
23 with the most recently completed calendar year prior  
24 to the calculation required by this subsection (m):

25 (i) the cents-per-kilowatthour charge to  
26 recover the costs incurred by the utility under

1 subsection (d-5) of Section 1-75 of the Illinois  
2 Power Agency Act, adjusted for any reductions  
3 required under this subsection (m); and

4 (ii) the cents-per-kilowatthour charge to  
5 recover the costs incurred by the utility under  
6 Section 16-107.6 of the Public Utilities Act.

7 If no charge was applied for a given calendar year  
8 under item (i) or (ii) of this subparagraph (B), then  
9 the value of the charge for that year shall be zero.

10 (3) If a reduction is required by the calculation  
11 performed under this subsection (m), then the amount of  
12 the reduction shall be multiplied by the number of years  
13 reflected in the averages calculated under subparagraph  
14 (B) of paragraph (2) of this subsection (m). Such  
15 reduction shall be applied to the cents-per-kilowatthour  
16 charge that is applicable to those retail customers that  
17 are exempt from subsections (a) through (j) of Section  
18 8-103B of this Act under subsection (l) of Section 8-103B  
19 beginning with the next delivery year commencing after the  
20 date of the calculation required by this subsection (m).

21 (4) The electric utility shall file a notice with the  
22 Commission on May 1 of 2018 and each May 1 thereafter until  
23 May 1, 2026 containing the reduction, if any, which must  
24 be applied for the delivery year which begins in the year  
25 of the filing. The notice shall contain the calculations  
26 made pursuant to this Section. By October 1 of each year

1 beginning in 2018, each electric utility shall notify the  
2 Commission if it appears, based on an estimate of the  
3 calculation required in this subsection (m), that a  
4 reduction will be required in the next year.

5 (Source: P.A. 99-906, eff. 6-1-17.)

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