

HB5900



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB5900

Introduced 11/12/2024, by Rep. John M. Cabello

SYNOPSIS AS INTRODUCED:

20 ILCS 3855/1-92

Amends the Illinois Power Agency Act. Removes language allowing corporate authorities, township board, or the county board to operate the aggregation program as an opt-out program for residential and small commercial retail customers.

LRB103 42048 LNS 75272 b

A BILL FOR

1 AN ACT concerning State government.

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

4 Section 5. The Illinois Power Agency Act is amended by
5 changing Section 1-92 as follows:

6 (20 ILCS 3855/1-92)

7 Sec. 1-92. Aggregation of electrical load by
8 municipalities, townships, and counties.

9 (a) The corporate authorities of a municipality, township
10 board, or county board of a county may adopt an ordinance under
11 which it may aggregate in accordance with this Section
12 residential and small commercial retail electrical loads
13 located, respectively, within the municipality, the township,
14 or the unincorporated areas of the county and, for that
15 purpose, may solicit bids and enter into service agreements to
16 facilitate for those loads the sale and purchase of
17 electricity and related services and equipment.

18 The corporate authorities, township board, or county board
19 may also exercise such authority jointly with any other
20 municipality, township, or county. Two or more municipalities,
21 townships, or counties, or a combination of both, may initiate
22 a process jointly to authorize aggregation by a majority vote
23 of each particular municipality, township, or county as

1 required by this Section.

2 ~~If the corporate authorities, township board, or the~~
3 ~~county board seek to operate the aggregation program as an~~
4 ~~opt-out program for residential and small commercial retail~~
5 ~~customers, then prior to the adoption of an ordinance with~~
6 ~~respect to aggregation of residential and small commercial~~
7 ~~retail electric loads, the corporate authorities of a~~
8 ~~municipality, the township board, or the county board of a~~
9 ~~county shall submit a referendum to its residents to determine~~
10 ~~whether or not the aggregation program shall operate as an~~
11 ~~opt-out program for residential and small commercial retail~~
12 ~~customers. Any county board that seeks to submit such a~~
13 ~~referendum to its residents shall do so only in unincorporated~~
14 ~~areas of the county where no electric aggregation ordinance~~
15 ~~has been adopted.~~

16 ~~In addition to the notice and conduct requirements of the~~
17 ~~general election law, notice of the referendum shall state~~
18 ~~briefly the purpose of the referendum. The question of whether~~
19 ~~the corporate authorities, the township board, or the county~~
20 ~~board shall adopt an opt-out aggregation program for~~
21 ~~residential and small commercial retail customers shall be~~
22 ~~submitted to the electors of the municipality, township board,~~
23 ~~or county board at a regular election and approved by a~~
24 ~~majority of the electors voting on the question. The corporate~~
25 ~~authorities, township board, or county board must certify to~~
26 ~~the proper election authority, which must submit the question~~

1 ~~at an election in accordance with the Election Code.~~

2 ~~The election authority must submit the question in~~
3 ~~substantially the following form:~~

4 ~~Shall the (municipality, township, or county in which~~
5 ~~the question is being voted upon) have the authority to~~
6 ~~arrange for the supply of electricity for its residential~~
7 ~~and small commercial retail customers who have not opted~~
8 ~~out of such program?~~

9 ~~The election authority must record the votes as "Yes" or "No".~~

10 ~~If a majority of the electors voting on the question vote~~
11 ~~in the affirmative, then the corporate authorities, township~~
12 ~~board, or county board may implement an opt out aggregation~~
13 ~~program for residential and small commercial retail customers.~~

14 ~~A referendum must pass in each particular municipality,~~
15 ~~township, or county that is engaged in the aggregation~~
16 ~~program. If the referendum fails, then the corporate~~
17 ~~authorities, township board, or county board shall operate the~~
18 ~~aggregation program as an opt in program for residential and~~
19 ~~small commercial retail customers.~~

20 An ordinance under this Section shall specify whether the
21 aggregation will occur only with the prior consent of each
22 person owning, occupying, controlling, or using an electric
23 load center proposed to be aggregated. Nothing in this
24 Section, however, authorizes the aggregation of electric loads
25 that are served or authorized to be served by an electric
26 cooperative as defined by and pursuant to the Electric

1 Supplier Act or loads served by a municipality that owns and
2 operates its own electric distribution system. No aggregation
3 shall take effect unless approved by a majority of the members
4 of the corporate authority, township board, or county board
5 voting upon the ordinance.

6 A governmental aggregator under this Section is not a
7 public utility or an alternative retail electric supplier.

8 For purposes of this Section, "township" means the portion
9 of a township that is an unincorporated portion of a county
10 that is not otherwise a part of a municipality. ~~In addition to
11 such other limitations as are included in this Section, a
12 township board shall only have authority to aggregate
13 residential and small commercial customer loads in accordance
14 with this Section if the county board of the county in which
15 the township is located (i) is not also submitting a
16 referendum to its residents at the same general election that
17 the township board proposes to submit a referendum under this
18 subsection (a), (ii) has not received authorization through
19 passage of a referendum to operate an opt out aggregation
20 program for residential and small commercial retail customers
21 under this subsection (a), and (iii) has not otherwise enacted
22 an ordinance under this subsection (a) authorizing the
23 operation of an opt-in aggregation program for residential and
24 small commercial retail customers as described in this
25 Section.~~

26 (b) Upon the applicable requisite authority under this

1 Section, the corporate authorities, the township board, or the
2 county board, with assistance from the Illinois Power Agency,
3 shall develop a plan of operation and governance for the
4 aggregation program so authorized. Before adopting a plan
5 under this Section, the corporate authorities, township board,
6 or county board shall hold at least 2 public hearings on the
7 plan. Before the first hearing, the corporate authorities,
8 township board, or county board shall publish notice of the
9 hearings once a week for 2 consecutive weeks in a newspaper of
10 general circulation in the jurisdiction. The notice shall
11 summarize the plan and state the date, time, and location of
12 each hearing. Any load aggregation plan established pursuant
13 to this Section shall:

14 (1) provide for universal access to all applicable
15 residential customers and equitable treatment of
16 applicable residential customers;

17 (2) describe demand management and energy efficiency
18 services to be provided to each class of customers; and

19 (3) meet any requirements established by law
20 concerning aggregated service offered pursuant to this
21 Section.

22 (c) The process for soliciting bids for electricity and
23 other related services and awarding proposed agreements for
24 the purchase of electricity and other related services shall
25 be conducted in the following order:

26 (1) The corporate authorities, township board, or

1 county board may solicit bids for electricity and other
2 related services. The bid specifications may include a
3 provision requiring the bidder to disclose the fuel type
4 of electricity to be procured or generated on behalf of
5 the aggregation program customers. The corporate
6 authorities, township board, or county board may consider
7 the proposed source of electricity to be procured or
8 generated to be put into the grid on behalf of aggregation
9 program customers in the competitive bidding process. The
10 Agency and Commission may collaborate to issue joint
11 guidance on voluntary uniform standards for bidder
12 disclosures of the source of electricity to be procured or
13 generated to be put into the grid on behalf of aggregation
14 program customers.

15 (1.5) A township board shall request from the electric
16 utility those residential and small commercial customers
17 within their aggregate area either by zip code or zip
18 codes or other means as determined by the electric
19 utility. The electric utility shall then provide to the
20 township board the residential and small commercial
21 customers, including the names and addresses of
22 residential and small commercial customers,
23 electronically. The township board shall be responsible
24 for authenticating the residential and small commercial
25 customers contained in this listing and providing edits of
26 the data to affirm, add, or delete the residential and

1 small commercial customers located within its
2 jurisdiction. The township board shall provide the edited
3 list to the electric utility in an electronic format or
4 other means selected by the electric utility and certify
5 that the information is accurate.

6 (2) Notwithstanding Section 16-122 of the Public
7 Utilities Act and Section 2HH of the Consumer Fraud and
8 Deceptive Business Practices Act, an electric utility that
9 provides residential and small commercial retail electric
10 service in the aggregate area must, upon request of the
11 corporate authorities, township board, or the county board
12 in the aggregate area, submit to the requesting party, in
13 an electronic format, those account numbers, names, and
14 addresses of residential and small commercial retail
15 customers in the aggregate area that are reflected in the
16 electric utility's records at the time of the request;
17 provided, however, that any township board has first
18 provided an accurate customer list to the electric utility
19 as provided for herein.

20 Any corporate authority, township board, or county board
21 receiving customer information from an electric utility shall
22 be subject to the limitations on the disclosure of the
23 information described in Section 16-122 of the Public
24 Utilities Act and Section 2HH of the Consumer Fraud and
25 Deceptive Business Practices Act, and an electric utility
26 shall not be held liable for any claims arising out of the

1 provision of information pursuant to this item (2).

2 (d) If the corporate authorities, township board, or
3 county board operate under an opt-in program for residential
4 and small commercial retail customers, then the corporate
5 authorities, township board, or county board shall comply with
6 all of the following:

7 (1) Within 60 days after receiving the bids, the
8 corporate authorities, township board, or county board
9 shall allow residential and small commercial retail
10 customers to commit to the terms and conditions of a bid
11 that has been selected by the corporate authorities,
12 township board, or county board.

13 (2) If (A) the corporate authorities, township board,
14 or county board award proposed agreements for the purchase
15 of electricity and other related services and (B) an
16 agreement is reached between the corporate authorities,
17 township board, or county board for those services, then
18 customers committed to the terms and conditions according
19 to item (1) of this subsection (d) shall be committed to
20 the agreement.

21 (e) (Blank). ~~If the corporate authorities, township board,~~
22 ~~or county board operate as an opt-out program for residential~~
23 ~~and small commercial retail customers, then it shall be the~~
24 ~~duty of the aggregated entity to fully inform residential and~~
25 ~~small commercial retail customers in advance that they have~~
26 ~~the right to opt out of the aggregation program. The~~

1 ~~disclosure shall prominently state all charges to be made and~~
2 ~~shall include full disclosure of the cost to obtain service~~
3 ~~pursuant to Section 16-103 of the Public Utilities Act, how to~~
4 ~~access it, and the fact that it is available to them without~~
5 ~~penalty, if they are currently receiving service under that~~
6 ~~Section. The Illinois Power Agency shall furnish, without~~
7 ~~charge, to any citizen a list of all supply options available~~
8 ~~to them in a format that allows comparison of prices and~~
9 ~~products.~~

10 (f) Any person or entity retained by a municipality or
11 county, or jointly by more than one such unit of local
12 government, to provide input, guidance, or advice in the
13 selection of an electricity supplier for an aggregation
14 program shall disclose in writing to the involved units of
15 local government the nature of any relationship through which
16 the person or entity may receive, either directly or
17 indirectly, commissions or other remuneration as a result of
18 the selection of any particular electricity supplier. The
19 written disclosure must be made prior to formal approval by
20 the involved units of local government of any professional
21 services agreement with the person or entity, or no later than
22 October 1, 2012 with respect to any such professional services
23 agreement entered into prior to the effective date of this
24 amendatory Act of the 97th General Assembly. The disclosure
25 shall cover all direct and indirect relationships through
26 which commissions or remuneration may result, including the

1 pooling of commissions or remuneration among multiple persons
2 or entities, and shall identify all involved electricity
3 suppliers. The disclosure requirements in this subsection (f)
4 are to be liberally construed to ensure that the nature of
5 financial interests are fully revealed, and these disclosure
6 requirements shall apply regardless of whether the involved
7 person or entity is licensed under Section 16-115C of the
8 Public Utilities Act. Any person or entity that fails to make
9 the disclosure required under this subsection (f) is liable to
10 the involved units of local government in an amount equal to
11 all compensation paid to such person or entity by the units of
12 local government for the input, guidance, or advice in the
13 selection of an electricity supplier, plus reasonable
14 attorneys fees and court costs incurred by the units of local
15 government in connection with obtaining such amount.

16 (g) The Illinois Power Agency shall provide assistance to
17 municipalities, townships, counties, or associations working
18 with municipalities to help complete the plan and bidding
19 process.

20 (h) This Section does not prohibit municipalities or
21 counties from entering into an intergovernmental agreement to
22 aggregate residential and small commercial retail electric
23 loads.

24 (i) No later than June 1, 2023, the Illinois Power Agency
25 shall produce a report assessing how aggregation of electrical
26 load by municipalities, townships, and counties can be used to

1 help meet the renewable energy goals outlined in this Act.
2 This report shall contain, at a minimum, an assessment of
3 other states' utilization of load aggregation in meeting
4 renewable energy goals, any known or expected barriers in
5 utilizing load aggregation for meeting renewable energy goals,
6 and recommendations for possible changes in State law
7 necessary for electrical load aggregation to be a driver of
8 new renewable energy project development. This report shall be
9 published on the Agency's website and delivered to the
10 Governor and General Assembly. To assist with developing this
11 report, the Agency may retain the services of its expert
12 consulting firm used to develop its procurement plans as
13 provided in paragraph (1) of subsection (a) of Section 1-75.
14 (Source: P.A. 102-662, eff. 9-15-21.)