



93RD GENERAL ASSEMBLY
State of Illinois
2003 and 2004

Introduced 02/09/04, by Elaine Nekritz

SYNOPSIS AS INTRODUCED:

New Act

Creates the Efficiency Illinois Act. Requires the Illinois Commerce Commission to propose, develop, solicit, and monitor energy efficiency and conservation programs and measures. Provides that the Commission shall establish by order or rule that each electric utility and each alternative retail electric supplier supplying electric power and energy to retail customers located in the State of Illinois shall contribute annually a pro rata share of a total amount of no less than \$100,000,000 based upon the number of kilowatt-hours sold by each such entity in the 12 months preceding the year of contribution. Provides requirements for the collection of the pro rata shares. Lists the Illinois Commerce Commission's duties related to the energy efficiency and conservation programs. Effective immediately.

LRB093 18182 AMC 43877 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning energy.

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

4 Section 1. Short title. This Act may be cited as the
5 Efficiency Illinois Act.

6 Section 5. Programs.

7 (a) The Illinois Commerce Commission shall propose,
8 develop, solicit, and monitor energy efficiency and
9 conservation programs and measures. Such programs and measures
10 and their implementation shall be approved by the Commission if
11 it determines they will be beneficial to ratepayers after such
12 notice and hearings as the Commission may require by order or
13 by rule.

14 (b) The Commission shall, after notice and opportunity for
15 hearing, provide for the development, implementation, and
16 monitoring of gas and electric energy efficiency and
17 conservation programs and measures, including programs and
18 measures delivered in multiple service territories, by one or
19 more entities appointed by the Commission for these purposes.
20 The Commission may specify that the implementation of these
21 programs and measures satisfies a utility's corresponding
22 obligations, in whole or in part, under the Public Utilities
23 Act and under any prior orders of the Commission.

24 (c) In addition to its existing authority, the Commission
25 shall establish by order or rule that each electric utility as
26 defined in Section 3-105 of the Public Utilities Act and each
27 alternative retail electric supplier as defined in Section
28 16-102 of the Public Utilities Act supplying electric power and
29 energy to retail customers located in the State of Illinois
30 shall contribute annually a pro rata share of a total amount of
31 no less than \$100,000,000 based upon the number of
32 kilowatt-hours sold by each such entity in the 12 months

1 preceding the year of contribution. On or before May 1 of each
2 year, the Illinois Commerce Commission shall determine and
3 notify the one or more entities appointed by the Commission in
4 subsection (b) of the pro rata share owed by each electric
5 utility and each alternative retail electric supplier based
6 upon information supplied annually to the Illinois Commerce
7 Commission. On or before June 1 of each year, the entities
8 appointed by the Commission in subsection (b) shall send
9 written notification to each electric utility and each
10 alternative retail electric supplier of the amount of pro rata
11 share they owe. These contributions shall be remitted to a fund
12 administrator appointed by the Commission on or before June 30
13 of each year the contribution is due on a return prescribed and
14 furnished by the Commission showing such information as the
15 Commission may reasonably require. Funds collected through
16 these contributions shall not be funds of the State, shall not
17 be available to meet the general obligations of the government,
18 and shall not be included in the financial reports of the
19 State. The Commission will annually provide the General
20 Assembly with a report detailing the revenues collected and the
21 expenditures made for energy efficiency programs under this
22 Act.

23 (d) The charge established by the Commission pursuant to
24 subsection (c) shall at a minimum provide \$100,000,000 to
25 support all energy efficiency programs authorized by the
26 Commission by rule or order pursuant to subsection (c) in any
27 fiscal year. No less than \$100,000,000 of financial support for
28 energy efficiency programs shall be authorized by the
29 Commission by rule or order pursuant to subsection (b) of this
30 Section in any fiscal year.

31 Section 10. Duties of the Illinois Commerce Commission. The
32 Commission shall:

33 (1) Ensure that all customers, regardless of
34 electricity or gas provider, will have an opportunity to
35 participate in and benefit from a comprehensive set of

1 cost-effective energy efficiency and demand reduction
2 programs and initiatives designed to overcome barriers to
3 participation.

4 (2) Require that continued or improved efficiencies be
5 made in the production, delivery, and use of energy
6 efficiency and demand reduction services.

7 (3) Build on the energy efficiency and demand reduction
8 expertise and capabilities that have developed or may
9 develop in the State.

10 (4) Promote program initiatives and market strategies
11 that address the needs of persons or businesses facing the
12 most significant barriers to participation.

13 (5) Promote coordinated program delivery, including
14 coordination with low income weatherization programs,
15 other efficiency and demand reduction programs, and
16 utility programs.

17 (6) Consider innovative approaches to delivering
18 energy efficiency and demand reduction, including
19 strategies to encourage third party financing and customer
20 contributions to the cost of efficiency and demand
21 reduction measures.

22 (7) Provide a reasonably stable multi-year budget and
23 planning cycle and promote program improvement, program
24 stability, and maturation of programs and delivery
25 resources.

26 (8) Approve programs, measures, and delivery
27 mechanisms that reasonably reflect current and projected
28 market conditions, technological options, and
29 environmental benefits.

30 (9) Provide for delivery of these programs as rapidly
31 as possible, taking into consideration the need for these
32 services and cost-effective delivery mechanisms.

33 (10) Provide for the independent evaluation of
34 programs delivered under Section 5 of this Act.

35 (11) Require that any entity approved by the Commission
36 under Section 5 of this Act deliver Commission-approved

1 programs in an effective, efficient, timely, and competent
2 manner and meet standards that are consistent with any
3 relevant Commission orders in subsequent energy efficiency
4 and demand reduction proceedings.

5 (12) Require verification, on or before January 1,
6 2007, and every 3 years thereafter, by an independent
7 auditor of the reported energy and capacity savings and
8 cost-effectiveness of programs delivered by any entity
9 appointed by the Commission to deliver energy efficiency
10 and demand reduction programs under subsection (b) of
11 Section 5 of this Act.

12 (13) Ensure that any energy efficiency or demand
13 reduction program approved by the Commission shall be
14 reasonable and cost-effective.

15 Section 99. Effective date. This Act takes effect upon
16 becoming law.