SB3170 Engrossed

1 AN ACT concerning utilities.

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)

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

9 (a) The corporate authorities of a municipality, township board, or county board of a county may adopt an ordinance under 10 which it may aggregate in accordance with this Section 11 residential and small commercial retail electrical loads 12 13 located, respectively, within the municipality, the township, 14 or the unincorporated areas of the county and, for that purpose, may solicit bids and enter into service agreements to 15 16 facilitate for those loads the sale and purchase of electricity 17 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 <u>townships</u>, 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 SB3170 Engrossed - 2 - LRB097 17604 CEL 62811 b

1 required by this Section.

2 If the corporate authorities, township board, or the county 3 board seek to operate the aggregation program as an opt-out program for residential and small commercial retail customers, 4 5 then prior to the adoption of an ordinance with respect to aggregation of residential and 6 small commercial retail 7 electric loads, the corporate authorities of a municipality_ 8 the township board, or the county board of a county shall 9 submit a referendum to its residents to determine whether or 10 not the aggregation program shall operate as an opt-out program 11 for residential and small commercial retail customers.

12 In addition to the notice and conduct requirements of the general election law, notice of the referendum shall state 13 14 briefly the purpose of the referendum. The question of whether the corporate authorities, the township board, or the county 15 16 board shall adopt an opt-out aggregation program for 17 residential and small commercial retail customers shall be submitted to the electors of the municipality, township board, 18 19 or county board at a regular election and approved by a 20 majority of the electors voting on the question. The corporate authorities, township board, or county board must certify to 21 22 the proper election authority, which must submit the question 23 at an election in accordance with the Election Code.

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

26

Shall the (municipality, township, or county in which

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the question is being voted upon) have the authority to arrange for the supply of electricity for its residential and small commercial retail customers who have not opted out of such program?

5 The election authority must record the votes as "Yes" or "No".
6 If a majority of the electors voting on the question vote
7 in the affirmative, then the corporate authorities, township
8 <u>board</u>, or county board may implement an opt-out aggregation
9 program for residential and small commercial retail customers.

10 A referendum must pass in each particular municipality, 11 <u>township</u>, or county that is engaged in the aggregation program. 12 If the referendum fails, then the corporate authorities, 13 <u>township board</u>, or county board shall operate the aggregation 14 program as an opt-in program for residential and small 15 commercial retail customers.

16 An ordinance under this Section shall specify whether the 17 aggregation will occur only with the prior consent of each person owning, occupying, controlling, or using an electric 18 load center proposed to be aggregated. Nothing in this Section, 19 20 however, authorizes the aggregation of electric loads that are served or authorized to be served by an electric cooperative as 21 22 defined by and pursuant to the Electric Supplier Act or loads 23 served by a municipality that owns and operates its own 24 electric distribution system. No aggregation shall take effect 25 unless approved by a majority of the members of the corporate authority, township board, or county board voting upon the 26

1 ordinance.

2 A governmental aggregator under this Section is not a 3 public utility or an alternative retail electric supplier.

4 For purposes of this Section, "township" means the portion of a township that is an unincorporated portion of a county 5 that is not otherwise a part of a municipality. In addition to 6 7 such other limitations as are included in this Section, a township board shall only have authority to aggregate 8 9 residential and small commercial customer loads in accordance 10 with this Section if the county board of the county in which the township is located (i) is not also <u>submitting a referendum</u> 11 12 to its residents at the same general election that the township board proposes to submit a referendum under this subsection 13 14 (a), (ii) has not received authorization through passage of a referendum to operate an opt-out aggregation program for 15 16 residential and small commercial retail customers under this 17 subsection (a), and (iii) has not otherwise enacted an ordinance under this subsection (a) authorizing the operation 18 of an opt-in aggregation program for residential and small 19 20 commercial retail customers as described in this Section.

21 (b) Upon the applicable requisite authority under this 22 Section, the corporate authorities, the township board, or the 23 county board, with assistance from the Illinois Power Agency, shall develop a plan of operation and governance for the 24 25 aggregation program so authorized. Before adopting a plan under this Section, the corporate authorities, township board, or 26

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county board shall hold at least 2 public hearings on the plan. 1 2 Before the first hearing, the corporate authorities, township board, or county board shall publish notice of the hearings 3 once a week for 2 consecutive weeks in a newspaper of general 4 5 circulation in the jurisdiction. The notice shall summarize the plan and state the date, time, and location of each hearing. 6 7 Any load aggregation plan established pursuant to this Section 8 shall:

9 (1) provide for universal access to all applicable 10 residential customers and equitable treatment of 11 applicable residential customers;

12 (2) describe demand management and energy efficiency13 services to be provided to each class of customers; and

14 (3) meet any requirements established by law
 15 concerning aggregated service offered pursuant to this
 16 Section.

17 (c) The process for soliciting bids for electricity and 18 other related services and awarding proposed agreements for the 19 purchase of electricity and other related services shall be 20 conducted in the following order:

(1) The corporate authorities, township board, or
 county board may solicit bids for electricity and other
 related services.

(2) Notwithstanding Section 16-122 of the Public
 Utilities Act and Section 2HH of the Consumer Fraud and
 Deceptive Business Practices Act, an electric utility that

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provides residential and small commercial retail electric service in the aggregate area must: 7

<u>(A)</u> upon request of the corporate authorities or
the county board in the aggregate area, submit to the
requesting party, in an electronic format, those
account numbers, names, and addresses of residential
and small commercial retail customers in the aggregate
area that are reflected in the electric utility's
records at the time of the request; and

10 (B) following the township board's submission to 11 the electric utility of those zip codes included in the 12 aggregate area, submit to the township board, in an electronic format or other means selected by the 13 14 electric utility, those names and addresses of 15 residential and small commercial retail customers that 16 are located in such zip codes as reflected in the electric utility's records at the time of the request; 17 upon the township board's receipt of the information 18 19 provided by the electric utility, the township board 20 shall review the information and submit to the electric 21 utility, in an electronic format or other means 22 selected by the utility, either confirmation that the 23 information is accurate or corrections to the 24 information.

Any corporate authority, township board, or county board receiving customer information from an electric utility shall SB3170 Engrossed - 7 - LRB097 17604 CEL 62811 b

1 be subject to the limitations on the disclosure of the 2 information described in Section 16-122 of the Public Utilities 3 Act and Section 2HH of the Consumer Fraud and Deceptive 4 Business Practices Act, and an electric utility shall not be 5 held liable for any claims arising out of the provision of 6 information pursuant to this item (2).

7 (d) If the corporate authorities, township board, or county 8 board operate under an opt-in program for residential and small 9 commercial retail customers, then the corporate authorities, 10 <u>township board</u>, or county board shall comply with all of the 11 following:

12 (1) Within 60 days after receiving the bids, the 13 corporate authorities<u>, township board</u>, or county board 14 shall allow residential and small commercial retail 15 customers to commit to the terms and conditions of a bid 16 that has been selected by the corporate authorities<u>,</u> 17 <u>township board</u>, or county board.

(2) If (A) the corporate authorities, township board, 18 19 or county board award proposed agreements for the purchase 20 of electricity and other related services and (B) an 21 agreement is reached between the corporate authorities, 22 township board, or county board for those services, then 23 customers committed to the terms and conditions according 24 to item (1) of this subsection (d) shall be committed to 25 the agreement.

26 (e) If the corporate authorities, township board, or county

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board operate as an opt-out program for residential and small 1 2 commercial retail customers, then it shall be the duty of the aggregated entity to fully inform residential and small 3 commercial retail customers in advance that they have the right 4 5 to opt out of the aggregation program. The disclosure shall prominently state all charges to be made and shall include full 6 7 disclosure of the cost to obtain service pursuant to Section 16-103 of the Public Utilities Act, how to access it, and the 8 9 fact that it is available to them without penalty, if they are 10 currently receiving service under that Section. The Illinois 11 Power Agency shall furnish, without charge, to any citizen a 12 list of all supply options available to them in a format that 13 allows comparison of prices and products.

The Illinois Power Agency shall provide assistance to municipalities, <u>townships</u>, counties, or associations working with municipalities to help complete the plan and bidding process.

18 This Section does not prohibit municipalities or counties 19 from entering into an intergovernmental agreement to aggregate 20 residential and small commercial retail electric loads.

21 (Source: P.A. 96-176, eff. 1-1-10; 97-338, eff. 8-12-11.)

Section 99. Effective date. This Act takes effect uponbecoming law.