

99TH GENERAL ASSEMBLY State of Illinois 2015 and 2016 HB5815

by Rep. John D. Anthony

SYNOPSIS AS INTRODUCED:

220 ILCS 5/8-406

from Ch. 111 2/3, par. 8-406

Amends the Public Utilities Act. Provides that no public utility shall begin the construction of any nuclear power plant extension, alteration, or addition unless and until it has obtained from the Illinois Commerce Commission a certificate that public convenience and necessity require such construction. Removes a provision that prohibits the issuance of a certificate of public convenience and necessity by the Commission regarding the construction of any new power plant within this State until the Director of the Illinois Environmental Protection Agency finds that the United States Government has identified and approved a demonstrable technology or means for the disposal of high level nuclear waste, or until such construction has been specifically approved by a statute enacted by the General Assembly. Effective immediately.

LRB099 18270 EGJ 42641 b

21

22

23

1 AN ACT concerning regulation.

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

- Section 5. The Public Utilities Act is amended by changing

 Section 8-406 as follows:
- 6 (220 ILCS 5/8-406) (from Ch. 111 2/3, par. 8-406)
- Sec. 8-406. Certificate of public convenience and necessity.
- 9 (a) No public utility not owning any city or village franchise nor engaged in performing any public service or in 10 furnishing any product or commodity within this State as of 11 July 1, 1921 and not possessing a certificate of public 12 13 convenience and necessity from the Illinois Commerce 14 Commission, the State Public Utilities Commission or the Public Utilities Commission, at the time this amendatory Act of 1985 15 16 goes into effect, shall transact any business in this State until it shall have obtained a certificate from the Commission 17 that public convenience and necessity require the transaction 18 19 of such business.
 - (b) No public utility shall begin the construction of any new plant, equipment, property or facility which is not in substitution of any existing plant, equipment, property or facility or any extension or alteration thereof or in addition

26

thereto, unless and until it shall have obtained from the 1 2 Commission a certificate that public convenience and necessity 3 require such construction. Whenever, after a hearing, the Commission determines that any new construction or 5 transaction of any business by a public utility will promote the public convenience and is necessary thereto, it shall have 6 7 the power to issue certificates of public convenience and 8 necessity. The Commission shall determine that proposed 9 construction will promote the public convenience and necessity 10 only if the utility demonstrates: (1) that the proposed 11 construction is necessary to provide adequate, reliable, and 12 efficient service to its customers and is the least-cost means of satisfying the service needs of its customers or that the 13 14 proposed construction will promote the development of an 15 effectively competitive electricity market that operates 16 efficiently, is equitable to all customers, and is 17 least-cost least cost means of satisfying those objectives; (2) that the utility is capable of efficiently managing and 18 19 supervising the construction process and has taken sufficient 20 action to ensure adequate and efficient construction and 21 supervision thereof; and (3) that the utility is capable of 22 financing the proposed construction without significant 23 adverse financial consequences for the utility or its 24 customers.

(c) After the effective date of this amendatory Act of 1987, no construction shall commence on any new nuclear power

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

plant to be located within this State, and no certificate of public convenience and necessity or other authorization shall be issued therefor by the Commission, until the Director of the Illinois Environmental Protection Agency finds that the United States Government, through its authorized agency, has identified and approved a demonstrable technology or means for the disposal of high level nuclear waste, or until such construction has been specifically approved by a statute enacted by the General Assembly.

No public utility shall begin the construction of any nuclear power plant extension, alteration, or addition unless and until it has obtained from the Commission a certificate that public convenience and necessity require such construction. Whenever, after a hearing, the Commission determines that any new construction or the transaction of any business by a public utility will promote the public convenience and is necessary thereto, it shall have the power to issue certificates of public convenience and necessity. The Commission shall determine that proposed construction will promote the public convenience and necessity only if the utility demonstrates: (1) that the proposed construction is necessary to provide adequate, reliable, and efficient service to its customers and is the least-cost means of satisfying the service needs of its customers or that the proposed construction will promote the development of an effectively competitive electricity market that operates efficiently, is

equitable to all customers, and is the least-cost means of satisfying those objectives; (2) that the utility is capable of efficiently managing and supervising the construction process and has taken sufficient action to ensure adequate and efficient construction and supervision thereof; and (3) that the utility is capable of financing the proposed construction without significant adverse financial consequences for the utility or its customers.

As used in this Section, "high level nuclear waste" means those aqueous wastes resulting from the operation of the first cycle of the solvent extraction system or equivalent and the concentrated wastes of the subsequent extraction cycles or equivalent in a facility for reprocessing irradiated reactor fuel and shall include spent fuel assemblies prior to fuel reprocessing.

- (d) In making its determination, the Commission shall attach primary weight to the cost or cost savings to the customers of the utility. The Commission may consider any or all factors which will or may affect such cost or cost savings, including the public utility's engineering judgment regarding the materials used for construction.
- (e) The Commission may issue a temporary certificate which shall remain in force not to exceed one year in cases of emergency, to assure maintenance of adequate service or to serve particular customers, without notice or hearing, pending the determination of an application for a certificate, and may

by regulation exempt from the requirements of this Section temporary acts or operations for which the issuance of a certificate will not be required in the public interest.

A public utility shall not be required to obtain but may apply for and obtain a certificate of public convenience and necessity pursuant to this Section with respect to any matter as to which it has received the authorization or order of the Commission under the Electric Supplier Act, and any such authorization or order granted a public utility by the Commission under that Act shall as between public utilities be deemed to be, and shall have except as provided in that Act the same force and effect as, a certificate of public convenience and necessity issued pursuant to this Section.

No electric cooperative shall be made or shall become a party to or shall be entitled to be heard or to otherwise appear or participate in any proceeding initiated under this Section for authorization of power plant construction and as to matters as to which a remedy is available under The Electric Supplier Act.

(f) Such certificates may be altered or modified by the Commission, upon its own motion or upon application by the person or corporation affected. Unless exercised within a period of 2 years from the grant thereof authority conferred by a certificate of convenience and necessity issued by the Commission shall be null and void.

No certificate of public convenience and necessity shall be

- 1 construed as granting a monopoly or an exclusive privilege,
 2 immunity or franchise.
 - (g) A public utility that undertakes any of the actions described in items (1) through (3) of this subsection (g) or that has obtained approval pursuant to Section 8-406.1 of this Act shall not be required to comply with the requirements of this Section to the extent such requirements otherwise would apply. For purposes of this Section and Section 8-406.1 of this Act, "high voltage electric service line" means an electric line having a design voltage of 100,000 or more. For purposes of this subsection (g), a public utility may do any of the following:
 - (1) replace or upgrade any existing high voltage electric service line and related facilities, notwithstanding its length;
 - (2) relocate any existing high voltage electric service line and related facilities, notwithstanding its length, to accommodate construction or expansion of a roadway or other transportation infrastructure; or
 - (3) construct a high voltage electric service line and related facilities that is constructed solely to serve a single customer's premises or to provide a generator interconnection to the public utility's transmission system and that will pass under or over the premises owned by the customer or generator to be served or under or over premises for which the customer or generator has secured

2

3

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

the necessary right of way.

- (h) A public utility seeking to construct a high-voltage electric service line and related facilities (Project) must show that the utility has held a minimum of 2 pre-filing public meetings to receive public comment concerning the Project in each county where the Project is to be located, no earlier than 6 months prior to filing an application for a certificate of public convenience and necessity from the Commission. Notice of the public meeting shall be published in a newspaper of general circulation within the affected county once a week for 3 consecutive weeks, beginning no earlier than one month prior to the first public meeting. If the Project traverses 2 contiguous counties and where in one county the transmission line mileage and number of landowners over whose property the proposed route traverses is one-fifth or less of the transmission line mileage and number of such landowners of the other county, then the utility may combine the 2 pre-filing meetings in the county with the greater transmission line mileage and affected landowners. All other requirements regarding pre-filing meetings shall apply in both counties. Notice of the public meeting, including a description of the Project, must be provided in writing to the clerk of each county where the Project is to be located. A representative of the Commission shall be invited to each pre-filing public meeting.
- (i) For applications filed after the effective date of this amendatory Act of the 99th General Assembly, the Commission

- 1 shall by registered mail notify each owner of record of land,
- 2 as identified in the records of the relevant county tax
- assessor, included in the right-of-way over which the utility 3
- seeks in its application to construct a high-voltage electric
- 5 line of the time and place scheduled for the initial hearing on
- 6 the public utility's application. The utility shall reimburse
- the Commission for the cost of the postage and supplies 7
- incurred for mailing the notice. 8
- (Source: P.A. 99-399, eff. 8-18-15.) 9
- 10 Section 99. Effective date. This Act takes effect upon
- 11 becoming law.