

1 AN ACT concerning public utilities.

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
5 changing Section 18-102 as follows:

6 (220 ILCS 5/18-102)

7 Sec. 18-102. Definitions. For the purposes of this
8 Article the following terms shall be defined as set forth in
9 this Section. When used in this Article, terms defined in
10 Article XVI shall have the same meanings in this Article.

11 "Assignee" means any party, other than an electric
12 utility or grantee, to which an interest in intangible
13 transition property shall have been assigned, sold or
14 transferred. The term "assignee" includes any corporation,
15 public authority, trust, financing vehicle, partnership,
16 limited liability company or other entity.

17 "Grantee" means any party, other than an electric utility
18 or an assignee which acquires its interest from an electric
19 utility, to whom or for whose benefit the Commission shall
20 create, establish and grant rights in, to and under
21 intangible transition property. The term "grantee" includes
22 any corporation, public authority, trust, financing vehicle,
23 partnership, limited liability company or other entity.

24 "Grantee instruments" means (a) any instruments,
25 documents, notes, debentures, bonds or other evidences of
26 indebtedness evidencing any contractual right to receive the
27 payment of money from a grantee or (b) any certificates of
28 participation, certificates of beneficial interest or other
29 instruments evidencing a beneficial or ownership interest in
30 a grantee or in intangible transition property of such
31 grantee which are (i) issued (A) by or on behalf of a grantee

1 pursuant to a transitional funding order and (B) pursuant to
2 an executed indenture, pooling agreement, security agreement
3 or other similar agreement of such grantee creating a
4 security interest, ownership interest or other beneficial
5 interest in intangible transition property and (ii) payable
6 solely from proceeds of intangible transition property,
7 including amounts received with respect to the related
8 instrument funding charges.

9 "Holder" means any holder of transitional funding
10 instruments, including a trustee, collateral agent, nominee
11 or other such party acting for the benefit of such a holder.

12 "Instrument funding charge" means a non-bypassable charge
13 expressed in cents per kilowatt-hour authorized in a
14 transitional funding order to be applied and invoiced to each
15 retail customer, class of retail customers of an electric
16 utility or other person or group of persons obligated to pay
17 any base rates, transition charges or other rates for
18 tariffed services from which such instrument funding charge
19 has been deducted and stated separately pursuant to
20 subsection (j) of Section 18-104.

21 "Intangible transition property" means the right, title,
22 and interest of an electric utility or grantee or assignee
23 arising pursuant to a transitional funding order to impose
24 and receive instrument funding charges, and all related
25 revenues, collections, claims, payments, money, or proceeds
26 thereof, including all right, title, and interest of an
27 electric utility, grantee or assignee in, to, under and
28 pursuant to such transitional funding order, whether or not
29 such intangible transition property described above is
30 characterized on the books of the electric utility as a
31 regulatory asset or as a cost incurred by the electric
32 utility or otherwise. Intangible transition property shall
33 arise and exist only when, as, and to the extent that
34 instrument funding charges are authorized in a transitional

1 funding order that has become effective in accordance with
2 this Article and shall thereafter continuously exist to the
3 extent provided in the order.

4 "Issuer" means any party, other than an electric utility,
5 which has issued transitional funding instruments. The term
6 "issuer" includes any corporation, public authority, trust,
7 financing vehicle, partnership, limited liability company or
8 other entity.

9 "Transitional funding instruments" means any instruments,
10 pass-through certificates, notes, debentures, certificates of
11 participation, bonds, certificates of beneficial interest or
12 other evidences of indebtedness or instruments evidencing a
13 beneficial interest (i) which are issued by or on behalf of
14 an electric utility or issuer pursuant to a transitional
15 funding order, (ii) which are issued pursuant to an executed
16 indenture, pooling agreement, security agreement or other
17 similar agreement of an electric utility or issuer creating a
18 security interest, ownership interest or other beneficial
19 interest in intangible transition property or grantee
20 instruments, if any, and (iii) the proceeds of which are to
21 be used for the purposes set forth in subparagraph (1) of
22 subsection (d) of Section 18-103 of this Article.

23 "Transitional funding order" means an order of the
24 Commission issued in accordance with the provisions of this
25 Article creating and establishing intangible transition
26 property and the rights of any party therein and approving
27 the sale, pledge, assignment or other transfer of intangible
28 transition property and grantee instruments, if any, the
29 issuance of transitional funding instruments and grantee
30 instruments, if any, and the imposition and collection of
31 instrument funding charges.

32 (Source: P.A. 90-561, eff. 12-16-97.)