



Rep. Marlow H. Colvin

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09600SB0052ham002

LRB096 02025 MJR 27799 a

1 AMENDMENT TO SENATE BILL 52

2 AMENDMENT NO. _____. Amend Senate Bill 52, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. If and only if Senate Bill 658 of the 96th
6 General Assembly (as amended by House Amendment No. 3) becomes
7 law, the Illinois Power Agency Act is amended by changing
8 Section 1-56 as follows:

9 (20 ILCS 3855/1-56 as added by 09600SB0658eng with ham003)

10 Sec. 1-56. Clean coal SNG facility construction.

11 (a) It is the intention of the General Assembly to provide
12 additional long-term natural gas price stability to the State
13 and consumers by promoting the development of a clean coal SNG
14 facility that would produce a minimum annual output of 30 Bcf
15 of SNG and commence construction no later than June 1, 2013 on
16 a brownfield site in a municipality with at least one million

1 residents. The costs associated with preparing a facility cost
2 report for such a facility, which contains all of the
3 information required by subsection (b) of this Section, may be
4 paid or reimbursed pursuant to subsection (c) of this Section.

5 (b) The facility cost report for a facility that meets the
6 criteria set forth in subsection (a) of this Section shall be
7 prepared by a duly licensed engineering firm that details the
8 estimated capital costs payable to one or more contractors or
9 suppliers for the engineering, procurement, and construction
10 of the components comprising the facility and the estimated
11 costs of operation and maintenance of the facility. The report
12 must be provided to the General Assembly and the Agency on or
13 before April 30, 2010. The facility cost report shall include
14 all off the following:

15 (1) An estimate of the capital cost of the core plant
16 based on a front-end engineering and design study. The core
17 plant shall include all civil, structural, mechanical,
18 electrical, control, and safety systems. The quoted
19 construction costs shall be expressed in nominal dollars as
20 of the date that the quote is prepared and shall include:

21 (A) capitalized financing costs during
22 construction;

23 (B) taxes, insurance, and other owner's costs; and

24 (C) any assumed escalation in materials and labor
25 beyond the date as of which the construction cost quote
26 is expressed;

1 (2) An estimate of the capital cost of the balance of
2 the plant, including any capital costs associated with site
3 preparation and remediation, sequestration of carbon
4 dioxide emissions, and all interconnects and interfaces
5 required to operate the facility, such as construction or
6 backfeed power supply, pipelines to transport substitute
7 natural gas or carbon dioxide, potable water supply,
8 natural gas supply, water supply, water discharge,
9 landfill, access roads, and coal delivery. The front-end
10 engineering and design study and the cost study for the
11 balance of the plant shall include sufficient design work
12 to permit quantification of major categories of materials,
13 commodities and labor hours, and receipt of quotes from
14 vendors of major equipment required to construct and
15 operate the facility.

16 (3) An operating and maintenance cost quote that will
17 provide the estimated cost of delivered fuel, personnel,
18 maintenance contracts, chemicals, catalysts, consumables,
19 spares, and other fixed and variable operating and
20 maintenance costs. This quote is subject to the following
21 requirements:

22 (A) The delivered fuel cost estimate shall be
23 provided by a recognized third party expert or experts
24 in the fuel and transportation industries.

25 (B) The balance of the operating and maintenance
26 cost quote, excluding delivered fuel costs shall be

1 developed based on the inputs provided by a duly
2 licensed engineering firm performing the construction
3 cost quote, potential vendors under long-term service
4 agreements and plant operating agreements, or
5 recognized third-party plant operator or operators.

6 The operating and maintenance cost quote shall be
7 expressed in nominal dollars as of the date that the quote
8 is prepared and shall include (i) taxes, insurance, and
9 other owner's costs and (ii) any assumed escalation in
10 materials and labor beyond the date as of which the
11 operating and maintenance cost quote is expressed.

12 (c) Reasonable amounts paid or due to be paid by the owner
13 or owners of the clean coal SNG facility to third parties
14 unrelated to the owner or owners to prepare the facility cost
15 report will ~~may~~ be reimbursed or paid up to \$10 million through
16 Coal Development Bonds, ~~through funding authorized pursuant to~~
17 ~~20 ILCS 3501/825-65.~~

18 (d) The Agency shall review the facility report and based
19 on that report, consider whether to enter into long term
20 contracts to purchase SNG from the facility pursuant to Section
21 1-20 of this Act. To assist with its evaluation of the report,
22 the Agency may hire one or more experts or consultants, the
23 reasonable costs of which, not to exceed \$250,000, shall be
24 paid for by the owner or owners of the clean coal SNG facility
25 submitting the facility cost report. The Agency may begin the
26 process of selecting such experts or consultants prior to

1 receipt of the facility cost report.

2 (Source: 09600SB0658eng with ham003.)

3 Section 10. If and only if Senate Bill 658 of the 96th
4 General Assembly (as amended by House Amendment No. 3) becomes
5 law, the General Obligation Bond Act is amended by changing
6 Section 7 as follows:

7 (30 ILCS 330/7) (from Ch. 127, par. 657)

8 Sec. 7. Coal and Energy Development. The amount of
9 \$698,200,000 is authorized to be used by the Department of
10 Commerce and Economic Opportunity (formerly Department of
11 Commerce and Community Affairs) for coal and energy development
12 purposes, pursuant to Sections 2, 3 and 3.1 of the Illinois
13 Coal and Energy Development Bond Act, for the purposes
14 specified in Section 8.1 of the Energy Conservation and Coal
15 Development Act, for the purposes specified in Section 605-332
16 of the Department of Commerce and Economic Opportunity Law of
17 the Civil Administrative Code of Illinois, and for the purpose
18 of facility cost reports prepared pursuant to Sections 1-56 or
19 Section 1-75(d)(4) of the Illinois Power Agency Act and for the
20 purpose of development costs pursuant to Section 8.1 of the
21 Energy Conservation and Coal Development Act. Of this amount:

22 (a) \$115,000,000 is for the specific purposes of
23 acquisition, development, construction, reconstruction,
24 improvement, financing, architectural and technical planning

1 and installation of capital facilities consisting of
2 buildings, structures, durable equipment, and land for the
3 purpose of capital development of coal resources within the
4 State and for the purposes specified in Section 8.1 of the
5 Energy Conservation and Coal Development Act;

6 (b) \$35,000,000 is for the purposes specified in Section
7 8.1 of the Energy Conservation and Coal Development Act and
8 making a grant to the owner of a generating station located in
9 Illinois and having at least three coal-fired generating units
10 with accredited summer capability greater than 500 megawatts
11 each at such generating station as provided in Section 6 of
12 that Bond Act;

13 (c) \$13,200,000 is for research, development and
14 demonstration of forms of energy other than that derived from
15 coal, either on or off State property;

16 (d) \$500,000,000 is for the purpose of providing financial
17 assistance to new electric generating facilities as provided in
18 Section 605-332 of the Department of Commerce and Economic
19 Opportunity Law of the Civil Administrative Code of Illinois;
20 and

21 (e) \$35,000,000 is for the purpose of facility cost reports
22 prepared pursuant to Sections 1-56 or Section 1-75(d) (4) of the
23 Illinois Power Agency Act and for the purpose of development
24 costs pursuant to Section 8.1 of the Energy Conservation and
25 Coal Development Act.

26 (Source: P.A. 94-793, eff. 5-19-06; 95-1026, eff. 1-12-09.)

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.".