



Rep. William Cunningham

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LRB097 05385 ASK 52592 a

1 AMENDMENT TO HOUSE BILL 1458

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 1458 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Power Agency Act is amended by  
5 changing Section 1-10 as follows:

6 (20 ILCS 3855/1-10)

7 Sec. 1-10. Definitions.

8 "Agency" means the Illinois Power Agency.

9 "Agency loan agreement" means any agreement pursuant to  
10 which the Illinois Finance Authority agrees to loan the  
11 proceeds of revenue bonds issued with respect to a project to  
12 the Agency upon terms providing for loan repayment installments  
13 at least sufficient to pay when due all principal of, interest  
14 and premium, if any, on those revenue bonds, and providing for  
15 maintenance, insurance, and other matters in respect of the  
16 project.

1 "Authority" means the Illinois Finance Authority.

2 "Clean coal facility" means an electric generating  
3 facility that uses primarily coal as a feedstock and that  
4 captures and sequesters carbon emissions at the following  
5 levels: at least 50% of the total carbon emissions that the  
6 facility would otherwise emit if, at the time construction  
7 commences, the facility is scheduled to commence operation  
8 before 2016, at least 70% of the total carbon emissions that  
9 the facility would otherwise emit if, at the time construction  
10 commences, the facility is scheduled to commence operation  
11 during 2016 or 2017, and at least 90% of the total carbon  
12 emissions that the facility would otherwise emit if, at the  
13 time construction commences, the facility is scheduled to  
14 commence operation after 2017. The power block of the clean  
15 coal facility shall not exceed allowable emission rates for  
16 sulfur dioxide, nitrogen oxides, carbon monoxide, particulates  
17 and mercury for a natural gas-fired combined-cycle facility the  
18 same size as and in the same location as the clean coal  
19 facility at the time the clean coal facility obtains an  
20 approved air permit. All coal used by a clean coal facility  
21 shall have high volatile bituminous rank and greater than 1.7  
22 pounds of sulfur per million btu content, unless the clean coal  
23 facility does not use gasification technology and was operating  
24 as a conventional coal-fired electric generating facility on  
25 June 1, 2009 (the effective date of Public Act 95-1027).

26 "Clean coal SNG facility" means a facility that uses a

1 gasification process to produce substitute natural gas, that  
2 sequesters at least 90% of the total carbon emissions that the  
3 facility would otherwise emit and that uses petroleum coke or  
4 coal as a feedstock, with all such coal having a high  
5 bituminous rank and greater than 1.7 pounds of sulfur per  
6 million btu content.

7 "Commission" means the Illinois Commerce Commission.

8 "Costs incurred in connection with the development and  
9 construction of a facility" means:

10 (1) the cost of acquisition of all real property and  
11 improvements in connection therewith and equipment and  
12 other property, rights, and easements acquired that are  
13 deemed necessary for the operation and maintenance of the  
14 facility;

15 (2) financing costs with respect to bonds, notes, and  
16 other evidences of indebtedness of the Agency;

17 (3) all origination, commitment, utilization,  
18 facility, placement, underwriting, syndication, credit  
19 enhancement, and rating agency fees;

20 (4) engineering, design, procurement, consulting,  
21 legal, accounting, title insurance, survey, appraisal,  
22 escrow, trustee, collateral agency, interest rate hedging,  
23 interest rate swap, capitalized interest and other  
24 financing costs, and other expenses for professional  
25 services; and

26 (5) the costs of plans, specifications, site study and

1 investigation, installation, surveys, other Agency costs  
2 and estimates of costs, and other expenses necessary or  
3 incidental to determining the feasibility of any project,  
4 together with such other expenses as may be necessary or  
5 incidental to the financing, insuring, acquisition, and  
6 construction of a specific project and placing that project  
7 in operation.

8 "Department" means the Department of Commerce and Economic  
9 Opportunity.

10 "Director" means the Director of the Illinois Power Agency.

11 "Demand-response" means measures that decrease peak  
12 electricity demand or shift demand from peak to off-peak  
13 periods.

14 "Energy efficiency" means measures that reduce the amount  
15 of electricity or natural gas required to achieve a given end  
16 use.

17 "Electric utility" has the same definition as found in  
18 Section 16-102 of the Public Utilities Act.

19 "Facility" means an electric generating unit or a  
20 co-generating unit that produces electricity along with  
21 related equipment necessary to connect the facility to an  
22 electric transmission or distribution system.

23 "Governmental aggregator" means one or more units of local  
24 government that individually or collectively procure  
25 electricity to serve residential retail electrical loads  
26 located within its or their jurisdiction.

1 "Local government" means a unit of local government as  
2 defined in Article VII of Section 1 of the Illinois  
3 Constitution.

4 "Municipality" means a city, village, or incorporated  
5 town.

6 "Person" means any natural person, firm, partnership,  
7 corporation, either domestic or foreign, company, association,  
8 limited liability company, joint stock company, or association  
9 and includes any trustee, receiver, assignee, or personal  
10 representative thereof.

11 "Project" means the planning, bidding, and construction of  
12 a facility.

13 "Public utility" has the same definition as found in  
14 Section 3-105 of the Public Utilities Act.

15 "Real property" means any interest in land together with  
16 all structures, fixtures, and improvements thereon, including  
17 lands under water and riparian rights, any easements,  
18 covenants, licenses, leases, rights-of-way, uses, and other  
19 interests, together with any liens, judgments, mortgages, or  
20 other claims or security interests related to real property.

21 "Renewable energy credit" means a tradable credit that  
22 represents the environmental attributes of a certain amount of  
23 energy produced from a renewable energy resource.

24 "Renewable energy resources" includes energy and its  
25 associated renewable energy credit or renewable energy credits  
26 from wind, solar thermal energy, photovoltaic cells and panels,

1 biodiesel, crops and untreated and unadulterated organic waste  
2 biomass, tree waste, hydropower that does not involve new  
3 construction or significant expansion of hydropower dams, and  
4 other alternative sources of environmentally preferable  
5 energy. For purposes of this Act, landfill gas produced in the  
6 State is considered a renewable energy resource. "Renewable  
7 energy resources" includes biogas and biosolids produced by  
8 local government wastewater treatment plants in the State.

9 "Renewable energy resources" does not include the incineration  
10 or burning of tires, garbage, general household,  
11 institutional, and commercial waste, industrial lunchroom or  
12 office waste, landscape waste other than tree waste, railroad  
13 crossties, utility poles, or construction or demolition  
14 debris, other than untreated and unadulterated waste wood.

15 "Revenue bond" means any bond, note, or other evidence of  
16 indebtedness issued by the Authority, the principal and  
17 interest of which is payable solely from revenues or income  
18 derived from any project or activity of the Agency.

19 "Sequester" means permanent storage of carbon dioxide by  
20 injecting it into a saline aquifer, a depleted gas reservoir,  
21 or an oil reservoir, directly or through an enhanced oil  
22 recovery process that may involve intermediate storage in a  
23 salt dome.

24 "Servicing agreement" means (i) in the case of an electric  
25 utility, an agreement between the owner of a clean coal  
26 facility and such electric utility, which agreement shall have

1 terms and conditions meeting the requirements of paragraph (3)  
2 of subsection (d) of Section 1-75, and (ii) in the case of an  
3 alternative retail electric supplier, an agreement between the  
4 owner of a clean coal facility and such alternative retail  
5 electric supplier, which agreement shall have terms and  
6 conditions meeting the requirements of Section 16-115(d) (5) of  
7 the Public Utilities Act.

8 "Substitute natural gas" or "SNG" means a gas manufactured  
9 by gasification of hydrocarbon feedstock, which is  
10 substantially interchangeable in use and distribution with  
11 conventional natural gas.

12 "Total resource cost test" or "TRC test" means a standard  
13 that is met if, for an investment in energy efficiency or  
14 demand-response measures, the benefit-cost ratio is greater  
15 than one. The benefit-cost ratio is the ratio of the net  
16 present value of the total benefits of the program to the net  
17 present value of the total costs as calculated over the  
18 lifetime of the measures. A total resource cost test compares  
19 the sum of avoided electric utility costs, representing the  
20 benefits that accrue to the system and the participant in the  
21 delivery of those efficiency measures, as well as other  
22 quantifiable societal benefits, including avoided natural gas  
23 utility costs, to the sum of all incremental costs of end-use  
24 measures that are implemented due to the program (including  
25 both utility and participant contributions), plus costs to  
26 administer, deliver, and evaluate each demand-side program, to

1 quantify the net savings obtained by substituting the  
2 demand-side program for supply resources. In calculating  
3 avoided costs of power and energy that an electric utility  
4 would otherwise have had to acquire, reasonable estimates shall  
5 be included of financial costs likely to be imposed by future  
6 regulations and legislation on emissions of greenhouse gases.  
7 (Source: P.A. 95-481, eff. 8-28-07; 95-913, eff. 1-1-09;  
8 95-1027, eff. 6-1-09; 96-33, eff. 7-10-09; 96-159, eff.  
9 8-10-09; 96-784, eff. 8-28-09; 96-1000, eff. 7-2-10.)

10 Section 99. Effective date. This Act takes effect upon  
11 becoming law."