



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB5633

by Rep. Kelly Burke

SYNOPSIS AS INTRODUCED:

220 ILCS 5/Art. XX heading
220 ILCS 5/20-101
220 ILCS 5/20-102
220 ILCS 5/20-110
220 ILCS 5/20-125 new
220 ILCS 5/20-135 new

Amends the Retail Electric Competition Article of the Public Utilities Act. Retitles the Article as the Consumer Retail Competition Act. Extends the scope of the Article to apply to natural gas markets. Makes a legislative finding that retail consumers of natural gas would benefit from market opening solutions and competitive choices. Directs the Office of Retail Market Development to promote retail competition for safe, reliable, and affordable natural gas service. Authorizes the Commerce Commission to establish retail choice and referral programs providing incentives for residential and small commercial customers to switch natural gas suppliers.

LRB098 18448 RPS 53585 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning regulation.

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 changing
5 the heading of Article XX and Sections 20-101, 20-102, and
6 20-110 and by adding Sections 20-125 and 20-135 as follows:

7 (220 ILCS 5/Art. XX heading)

8 ARTICLE XX. CONSUMER RETAIL ~~ELECTRIC~~ COMPETITION

9 (Source: P.A. 94-1095, eff. 2-2-07.)

10 (220 ILCS 5/20-101)

11 Sec. 20-101. This Article may be cited as the Consumer
12 Retail ~~Electric~~ Competition Act ~~of 2006~~.

13 (Source: P.A. 94-1095, eff. 2-2-07.)

14 (220 ILCS 5/20-102)

15 Sec. 20-102. Findings and intent.

16 (a) Competitive ~~A competitive~~ wholesale electricity and
17 natural gas markets ~~market~~ alone will not deliver the full
18 benefits of competition to Illinois consumers. For Illinois
19 consumers to receive products, prices, and terms tailored to
20 meet their needs, ~~a~~ competitive wholesale markets ~~electricity~~
21 ~~market~~ must be closely linked to ~~a~~ competitive retail electric

1 and competitive retail natural gas markets market.

2 (b) To date, as a result of the Electric Service Customer
3 Choice and Rate Relief Law of 1997, thousands of large Illinois
4 commercial and industrial consumers have experienced the
5 benefits of a competitive retail electricity market.
6 Alternative electric retail suppliers actively compete to
7 supply electricity to large Illinois commercial and industrial
8 consumers with attractive prices, terms, and conditions.

9 (c) A competitive retail electric market does not yet exist
10 for residential and small commercial consumers. As a result,
11 millions of residential and small commercial consumers in
12 Illinois are faced with escalating heating and power bills and
13 are unable to shop for alternatives to the rates demanded by
14 the State's incumbent electric utilities.

15 (d) The General Assembly reiterates its findings from the
16 Electric Service Customer Choice and Rate Relief Law of 1997
17 that the Illinois Commerce Commission should promote the
18 development of an effectively competitive retail electricity
19 market that operates efficiently and benefits all Illinois
20 consumers.

21 (e) The General Assembly also finds that consumers of
22 retail natural gas would benefit from market opening solutions
23 and competitive choices.

24 (Source: P.A. 94-1095, eff. 2-2-07.)

25 (220 ILCS 5/20-110)

1 Sec. 20-110. Office of Retail Market Development. Within 90
2 days after February 2, 2007 (the effective date of Public Act
3 94-1095) ~~this amendatory Act of the 94th General Assembly,~~
4 subject to appropriation, the Commission shall establish an
5 Office of Retail Market Development and employ on its staff a
6 Director of Retail Market Development to oversee the Office.
7 The Director shall have authority to employ or otherwise retain
8 at least 2 professionals dedicated to the task of actively
9 seeking out ways to promote retail competition in Illinois to
10 benefit all Illinois consumers.

11 The Office shall actively seek input from all interested
12 parties and shall develop a thorough understanding and critical
13 analyses of the tools and techniques used to promote retail
14 competition in other states.

15 The Office shall monitor existing competitive conditions
16 in Illinois, identify barriers to retail competition for all
17 customer classes, and actively explore and propose to the
18 Commission and to the General Assembly solutions to overcome
19 identified barriers. The Director may include municipal
20 aggregation of customers and creating and designing customer
21 choice programs as tools for retail market development.
22 Solutions proposed by the Office to promote retail competition
23 must also promote safe, reliable, and affordable electric and
24 natural gas service.

25 On or before June 30 of each year, the Director shall
26 submit a report to the Commission, the General Assembly, and

1 the Governor, that details specific accomplishments achieved
2 by the Office in the prior 12 months in promoting retail
3 electric and retail natural gas competition and that suggests
4 administrative and legislative action necessary to promote
5 further improvements in retail ~~electric~~ competition.

6 (Source: P.A. 94-1095, eff. 2-2-07.)

7 (220 ILCS 5/20-125 new)

8 Sec. 20-125. Residential and small commercial retail
9 natural gas competition. Within 12 months after the effective
10 date of this amendatory Act of the 98th General Assembly, the
11 Director shall conduct research, gather input from all
12 interested parties, and develop and present to the Commission,
13 the General Assembly, and the Governor a detailed plan designed
14 to promote, in the most expeditious manner possible, retail
15 natural gas competition for residential and small commercial
16 consumers while maintaining safe, reliable, and affordable
17 service. Interested parties shall be given the opportunity to
18 review the plan and provide written comments regarding the plan
19 prior to its submission to the Commission, the General
20 Assembly, and the Governor. Written comments received by the
21 Office shall be posted on the Commission's web site. The final
22 plan submitted to the Commission, the General Assembly, and the
23 Governor must include summaries of any written comments and
24 must also be posted on the Commission's web site.

25 To the extent the plan calls for Commission action, the

1 Commission shall initiate any proceeding or proceedings called
2 for in the final plan within 60 days after receipt of the final
3 plan and complete those proceedings within 11 months after
4 their initiation.

5 Nothing in this Section shall prevent the Commission from
6 acting earlier to remove identified barriers to retail natural
7 gas competition for residential and small commercial
8 consumers.

9 (220 ILCS 5/20-135 new)

10 Sec. 20-135. Retail choice and referral programs for
11 natural gas consumers. The Commission shall have the authority
12 to establish retail choice and referral programs to be
13 administered by a natural gas utility or the State in which
14 residential and small commercial customers receive incentives,
15 including, but not limited to, discounted rate introductory
16 offers for switching to participating natural gas suppliers.

17 The Office of Retail Market Development shall serve as the
18 clearinghouse for the development of retail choice programs and
19 shall work with natural gas utilities and interested parties on
20 a continuous basis to implement and improve upon the programs.
21 Nothing in this Section shall prevent a natural gas utility
22 from implementing retail choice programs on its own accord.

23 Nothing in this Section shall prevent the Office of Retail
24 Market Development or the Commission from considering retail
25 choice programs.