

1 AN ACT concerning energy.

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

4 Section 1. Short title. This Act may be cited as the Lake
5 Michigan Wind Energy Act.

6 Section 5. Legislative findings. The General Assembly
7 finds:

8 (1) that Lake Michigan is a unique and treasured public
9 asset that supports numerous activities for the benefit of the
10 people, wildlife, and flora of the State of Illinois;

11 (2) that the bed of Lake Michigan is public land held in
12 trust for the people of the State of Illinois and cannot be
13 alienated to a private use or person;

14 (3) that federal and State policy, as well as the national
15 security, energy, and environmental needs of the United States
16 and the people of the State of Illinois, support exploration
17 and development of renewable energy resources, including
18 offshore wind energy;

19 (4) that the State of Illinois is a signatory to a federal
20 and multistate memorandum of understanding and is committed to
21 promoting the efficient, expeditious, orderly, and responsible
22 evaluation of offshore wind power projects in the Great Lakes;

23 (5) that wind above the Illinois public trust lands of Lake

1 Michigan is a unique and significant renewable energy resource;

2 (6) that the development of that resource does not involve
3 mining or other extraction of resources from the public trust
4 lands of Lake Michigan;

5 (7) that the provision of renewable energy from offshore
6 wind, if done in an environmentally responsible manner and
7 without transferring ownership of any public trust lands of
8 Lake Michigan, would serve a primarily public purpose
9 consistent with the public trust; and

10 (8) that the Lake Michigan Offshore Wind Energy Advisory
11 Council has recommended clarifying and confirming the State's
12 authority to permit such development and has made other
13 recommendations to further the responsible development of the
14 State's wind energy resources above Lake Michigan.

15 Section 10. Definitions. As used in this Act:

16 "Public trust lands" means the bed of Lake Michigan.

17 "Department" means the Department of Natural
18 Resources.

19 Section 15. Wind energy siting matrix. The Department shall
20 develop a detailed offshore wind energy siting matrix for the
21 public trust lands of Lake Michigan, which shall, at a minimum,
22 identify areas that are unsuitable for wind energy development
23 ("prohibited areas"), areas that are most appropriate for wind
24 energy development ("preferred areas"), and areas that are

1 neither prohibited nor preferred for wind energy development
2 but that may be considered for development upon application
3 ("possible areas"). The Department, in developing the wind
4 energy siting matrix, shall take into consideration existing
5 environmental, marine, public infrastructure, transportation,
6 and security uses and factors, and may also consider other
7 factors it identifies as appropriate.

8 Section 20. Offshore Wind Energy Economic Development
9 Policy Task Force.

10 (a) The Governor shall convene an Offshore Wind Energy
11 Economic Development Policy Task Force, to be chaired by the
12 Director of Commerce and Economic Opportunity, or his or her
13 designee, to analyze and evaluate policy and economic options
14 to facilitate the development of offshore wind energy, and to
15 propose an appropriate Illinois mechanism for purchasing and
16 selling power from possible offshore wind energy projects. The
17 Task Force shall examine mechanisms used in other states and
18 jurisdictions, including, without limitation, feed-in-tariffs,
19 renewable energy certificates, renewable energy certificate
20 carve-outs, power purchase agreements, and pilot projects. The
21 Task Force shall report its findings and recommendations to the
22 Governor and General Assembly by December 31, 2013.

23 (b) The Director of the Illinois Power Agency (or his or
24 her designee), the Executive Director of the Illinois Commerce
25 Commission (or his or her designee), the Director of Natural

1 Resources (or his or her designee), and the Attorney General
2 (or his or her designee) shall serve as ex officio members of
3 the Task Force.

4 (c) The Governor shall appoint the following public members
5 to serve on the Task Force:

6 (1) one individual from an institution of higher
7 education in Illinois representing the discipline of
8 economics with experience in the study of renewable energy;

9 (2) one individual representing an energy industry
10 with experience in renewable energy markets;

11 (3) one individual representing a Statewide consumer
12 or electric ratepayer organization;

13 (4) one individual representing the offshore wind
14 energy industry;

15 (5) one individual representing the wind energy supply
16 chain industry;

17 (6) one individual representing an Illinois electrical
18 cooperative, municipal electrical utility, or association
19 of such cooperatives or utilities;

20 (7) one individual representing an Illinois industrial
21 union involved in the construction, maintenance, or
22 transportation of electrical generation, distribution, or
23 transmission equipment or components;

24 (8) one individual representing an Illinois commercial
25 or industrial electrical consumer;

26 (9) one individual representing an Illinois public

1 education electrical consumer;

2 (10) one individual representing an independent
3 transmission company;

4 (11) one individual from the Illinois legal community
5 with experience in contracts, utility law, municipal law,
6 and constitutional law;

7 (12) one individual representing a Great Lakes
8 regional organization with experience assessing or
9 studying wind energy;

10 (13) one individual representing a Statewide
11 environmental organization;

12 (14) one resident of the State representing an
13 organization advocating for persons of low or limited
14 incomes;

15 (15) one individual representing Argonne National
16 Laboratory; and

17 (16) one individual representing a local community
18 that has aggregated the purchase of electricity.

19 (d) The Governor may appoint additional public members to
20 the Task Force.

21 (e) The Speaker of the House of Representatives, Minority
22 Leader of the House of Representatives, Senate President, and
23 Minority Leader of the Senate shall each appoint one member of
24 the General Assembly to serve on the Task Force.

25 (f) Members of the Task Force shall serve without
26 compensation.

1 Section 25. Assessment permits. After finalizing the wind
2 energy siting matrix required under Section 15, the Department
3 may, in accordance with rules adopted by the Department
4 pursuant to Section 5-40 of the Illinois Administrative
5 Procedure Act and with the written approval of the Governor,
6 grant in the name of the State of Illinois permits and site
7 leases with respect to public trust lands of Lake Michigan for
8 the assessment of sites for offshore wind energy development.

9 Section 30. Permits for wind park construction and
10 operation. The Department may, in accordance with rules adopted
11 by the Department pursuant to Section 5-40 of the Illinois
12 Administrative Procedure Act, convert site assessment leases
13 to offshore wind park construction and operation leases, upon
14 an appropriate showing by the applicant that the construction
15 and operation of wind energy facilities would not be
16 inconsistent with the public trust.

17 Section 35. Permit terms. The Department may insert into
18 any permit or lease issued under this Act any terms that it
19 deems necessary to protect the rights of the State, the public,
20 lessees, and users of waters above the public trust lands of
21 Lake Michigan.

22 Section 40. Rulemaking. The Department may adopt, in

1 accordance with the requirements of Section 5-40 of the
2 Illinois Administrative Procedure Act, any rule that is
3 necessary to implement this Act. The rules adopted by the
4 Department under this Section shall, at a minimum, specify
5 permit fees and royalty schedules, requirements for bonding and
6 guaranteeing, requirements for decommissioning, and any other
7 requirements necessary for carrying out the provisions of this
8 Act.

9 Prior to adopting any rule under this Act, the Department
10 shall consult with the Illinois Environmental Protection
11 Agency, the Illinois Commerce Commission, the Illinois Power
12 Agency, and the Department of Commerce and Economic
13 Opportunity.

14 Section 45. Regulatory toolkit. The Department shall, in
15 consultation with the Illinois Environmental Protection
16 Agency, the Illinois Commerce Commission, the Illinois Power
17 Agency, and the Department of Commerce and Economic
18 Opportunity, prepare and publish a toolkit for advising and
19 guiding developers on the regulatory and permitting process.
20 The toolkit shall, at a minimum, include a checklist of
21 required State permits and an overview of estimated timelines
22 and likely areas of concern.

23 Section 50. Limitation on Department Authority. Nothing
24 contained in this Act shall be construed as requiring or

1 permitting the Department to permanently convey any public
2 trust lands for energy development.

3 Section 99. Effective date. This Act takes effect upon
4 becoming law.