

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 adding
5 Section 16-103.2 as follows:

6 (220 ILCS 5/16-103.2 new)

7 Sec. 16-103.2. Market Settlement Service.

8 (a) Notwithstanding anything to the contrary, an electric
9 utility shall be permitted, at its election, to provide Market
10 Settlement Service, which, for purposes of this Section, shall
11 mean a tariffed, unbundled electric power and energy supply
12 service applicable to all of the electric utility's retail
13 customers having maximum demands exceeding 400 kilowatts, as
14 measured in accordance with the electric utility's retail
15 tariffs, that do not otherwise purchase all of their electric
16 power and energy supply service from the electric utility.
17 Market Settlement Service shall apply to the difference between
18 (i) the actual quantities of electric power and energy supply
19 provided to any such retail customer during a given period and
20 (ii) the quantities of such supply that were deemed to have
21 been provided to such retail customer for the purposes of the
22 applicable regional transmission organization's final
23 wholesale market settlements during that same period. An

1 electric utility providing Market Settlement Service may also,
2 at its election, include in Market Settlement Service electric
3 capacity, transmission services, or other services that are
4 also provided by or through a regional transmission
5 organization to retail customers who receive tariffed electric
6 power and energy supply service with hourly pricing provisions
7 at quantities assigned to such retail customer pursuant to the
8 electric utility's Market Settlement Service tariff. Charges
9 (if the actual quantities provided were greater) or credits (if
10 the actual quantities provided were less) shall be calculated
11 based on the same unit rate or rates set forth in the electric
12 utility's tariff or tariffs for electric power and energy
13 supply service with hourly pricing provisions applicable to its
14 retail customers having maximum demands exceeding 400
15 kilowatts, provided, however, that any reconciliation
16 provision set forth in such tariff or tariffs, including any
17 charges or credits resulting therefrom, shall not apply to
18 Market Settlement Service.

19 An electric utility providing Market Settlement Service
20 shall be permitted to recover all of its reasonable and
21 prudently incurred administrative and operational costs of
22 providing this service from all of its retail customers through
23 its delivery services charges. An electric utility providing
24 Market Settlement Service shall be permitted to recover its
25 reasonable and prudent initial implementation and start-up
26 costs from retail consumers having maximum demands exceeding

1 400 kilowatts through its delivery service charges.

2 (b) Market Settlement Service shall be provided pursuant to
3 a tariff of the electric utility on file with the Commission.
4 The electric utility's Market Settlement Service tariff shall
5 include provisions for the determination of the quantities
6 subject to Market Settlement Service for any retail customer
7 that receives only a portion of its electric power and energy
8 requirements from an alternative retail electric supplier or
9 electric utility operating outside of its service territory.
10 Notwithstanding subsection (a) of this Section, the electric
11 utility may elect to (i) exclude from Market Settlement Service
12 any portion of the difference described in subsection (a) of
13 this Section attributable to a delayed initial retail electric
14 service bill for a given period and (ii) provide Market
15 Settlement Service limited to an entire retail billing period
16 or periods, without proration, notwithstanding that the
17 applicable regional transmission organization's final
18 wholesale market settlements may have occurred on a date within
19 a retail billing period.

20 (c) An electric utility that has a tariff in effect
21 pursuant to this Section shall not be subject to, or allowed to
22 pursue, any other claims, adjustments, settlements, or offsets
23 related to the cost of any difference in the actual quantities
24 of electric energy, capacity, transmission services, or other
25 services included in Market Settlement Service, provided,
26 however, that the provisions of this subsection (c) shall not,

1 consistent with the provisions of this Act, (i) preclude any
2 subsequent and separate adjustments made to the same retail
3 customer's electric service account pursuant to a tariff
4 authorized by this Section because of other differences,
5 whether for the same or a different meter or for the same or
6 different period or (ii) reduce or impair in any way an
7 electric utility's authority to charge a retail customer for
8 unmetered electric service related to the retail customer's
9 unlawful tampering with or interference with electric service,
10 including, but not limited to, any other charges allowed by law
11 or the electric utility's tariffs.

12 (d) A tariff authorized by this Section may be established
13 outside of either (i) a filing seeking a general change in
14 rates under Article IX of this Act or (ii) a filing authorized
15 under Section 16-108.5 of this Act. The Commission shall review
16 and, by order, approve, or approve as modified, the proposed
17 tariff within 180 days after the date on which it is filed. In
18 the event the Commission approves such a tariff with
19 modifications, the electric utility shall not be obligated to
20 place the modified tariff into effect. In such event, the
21 electric utility must, within 14 days after any Commission
22 order, withdraw its proposed tariff and its election to provide
23 Market Settlement Service. If a Market Settlement Service
24 tariff does become effective, such tariff shall remain in
25 effect thereafter at the discretion of the electric utility.

26 (e) Notwithstanding anything in this Act to the contrary,

1 an electric utility providing Market Settlement Service shall
2 not be liable to any retail customer, alternative retail
3 electric supplier, or electric utility operating outside of its
4 service territory for any adjustment in the quantity of any
5 transmission or retail electric supply service for which the
6 applicable regional transmission organization under its
7 tariffs, agreements, and market and business rules will no
8 longer make a corresponding adjustment to the wholesale market
9 settlements.