

AN ACT concerning regulation.

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

Section 5. The Public Utilities Act is amended by adding Section 17-800 as follows:

(220 ILCS 5/17-800 new)

Sec. 17-800. Aggregation of electrical load by municipalities and counties. The corporate authorities of a municipality or county board of a county may adopt an ordinance, under which it may aggregate in accordance with this Section residential retail electrical loads located, respectively, within the municipality or county and, for that purpose, may solicit bids and enter into service agreements to facilitate for those loads the sale and purchase of electricity and related services and equipment. The corporate authorities or county board also may exercise such authority jointly with any other municipality or county. An ordinance under this Section shall specify whether the aggregation will occur only with the prior consent of each person owning, occupying, controlling, or using an electric load center proposed to be aggregated. Nothing in this Section, however, authorizes the aggregation of electric loads that are served or authorized to be served by an electric cooperative as defined by and pursuant

to the Electric Supplier Act or loads served by a municipality that owns and operates its own electric distribution system. No aggregation pursuant to an ordinance adopted under this Section that provides for an election under this Section shall take effect unless approved by a majority of the electors voting upon the ordinance at the election held pursuant to this Section.

A governmental aggregator under this Section is not a public utility or an alternative retail electric supplier and shall be subject to supervision and regulation by the Commission only to the extent provided in this Section.

A municipality may initiate a process to authorize aggregation by a majority vote of the municipal council, with the approval of the mayor. A county may initiate the process to authorize aggregation by a majority vote of the county board. Two or more municipalities or counties, or a combination of both, may initiate a process jointly to authorize aggregation by a majority vote of each particular municipality or county as herein required.

Upon the applicable requisite authority under this Section, the corporate authorities or the county board shall develop a plan of operation and governance for the aggregation program so authorized. Before adopting a plan under this Section, the corporate authorities or county board shall hold at least 2 public hearings on the plan. Before the first hearing, the corporate authorities or county board shall

publish notice of the hearings once a week for 2 consecutive weeks in a newspaper of general circulation in the jurisdiction. The notice shall summarize the plan and state the date, time, and location of each hearing. Any load aggregation plan established pursuant to this Section shall:

(1) provide for universal access to all applicable residential customers and equitable treatment of applicable residential customers;

(2) describe demand management and energy efficiency services to be provided to each class of customers; and

(3) meet any requirements established by law or the Commission concerning aggregated service offered pursuant to this Section.

The plan shall be filed with the Commission for review and approval and shall include, without limitation, an organizational structure of the program, its operations, and funding; the methods of establishing rates and allocating costs among participants; the methods for entering and terminating agreements with other entities; the rights and responsibilities of program participants; and procedures for termination of the program. Within 120 days after receipt of the plan, the Commission shall issue an order either approving or rejecting the plan. If the Commission rejects the plan, it shall state detailed reasons for rejecting the plan in its order. Upon approval of the plan, the corporate authorities or county board may solicit bids for electricity and other related

services pursuant to the methods established in the plan. The corporate authorities or county board shall report the results of this solicitation and proposed agreement awards to the Commission, which shall have 15 business days to suspend such awards if the solicitation or awards are not in conformance with the plan or if the cost for energy would in the first year exceed the cost of that energy if that energy was obtained from an electric utility under Section 16-103 of this Act by citizens in the municipality or county or group of municipalities and counties, unless the applicant can demonstrate that the cost for energy under the aggregation plan will be lower in the subsequent years or the applicant can demonstrate that such excess cost is due to the purchase of renewable energy. If the Commission does not suspend the proposed contract awards within 15 business days after filing, the corporate authorities or county board shall have the right to award the proposed agreements.

It shall be the duty of the aggregated entity to fully inform residential retail customers in advance that they have the right to opt in to the aggregation program. The disclosure shall prominently state all charges to be made and shall include full disclosure of the cost to obtain service pursuant to Section 16-103 of this Act, how to access it, and the fact that it is available to them without penalty, if they are currently receiving service under that Section. The Commission shall furnish, without charge, to any citizen a list of all

Public Act 095-0311

HB0351 Enrolled

LRB095 05290 MJR 25368 b

supply options available to them in a format that allows comparison of prices and products.

This Section does not prohibit municipalities or counties from entering into an intergovernmental agreement to aggregate residential retail electric loads.