

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 16-103.2 as follows:

(220 ILCS 5/16-103.2 new)

Sec. 16-103.2. Market Settlement Service.

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

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

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

400 kilowatts through its delivery service charges.

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

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

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

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

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

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