

1 AN ACT concerning public utilities.

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
5 changing Section 16-119A as follows:

6 (220 ILCS 5/16-119A)

7 Sec. 16-119A. Functional separation.

8 (a) Within 90 days after the effective date of this
9 amendatory Act of 1997, the Commission shall open a
10 rulemaking proceeding to establish standards of conduct for
11 every electric utility described in subsection (b). To
12 create efficient competition between suppliers of generating
13 services and sellers of such services at retail and
14 wholesale, the rules shall allow all customers of a public
15 utility that distributes electric power and energy to
16 purchase electric power and energy from the supplier of their
17 choice in accordance with the provisions of Section 16-104.
18 In addition, the rules shall address relations between
19 providers of any 2 services described in subsection (b) to
20 prevent undue discrimination and promote efficient
21 competition. Provided, however, that a proposed rule shall
22 not be published prior to May 15, 1999.

23 (b) The Commission shall also have the authority to
24 investigate the need for, and adopt rules requiring,
25 functional separation between the generation services and the
26 delivery services of those electric utilities whose principal
27 service area is in Illinois as necessary to meet the
28 objective of creating efficient competition between suppliers
29 of generating services and sellers of such services at retail
30 and wholesale. After January 1, 2003, the Commission shall
31 also have the authority to investigate the need for, and

1 adopt rules requiring, functional separation between an
2 electric utility's competitive and non-competitive services.

3 (b-5) If the rules provide that the Commission may order
4 modifications to an electric utility's plan to implement
5 functional separation of generation and delivery services, an
6 electric utility that objects to the modifications ordered by
7 the Commission may file a revised implementation plan with
8 the Commission. If an electric utility files a revised
9 implementation plan under this subsection, the electric
10 utility does not have to comply with an implementation plan
11 until the Commission has approved or rejected the revised
12 implementation plan.

13 (c) In establishing or considering the need for rules
14 under subsections (a) and (b), the Commission shall take into
15 account the effects on the cost and reliability of service
16 and the obligation of the utility to provide bundled service
17 under this Act. The Commission shall adopt rules that are a
18 cost effective means to ensure compliance with this Section.

19 (d) Nothing in this Section shall be construed as
20 imposing any requirements or obligations that are in conflict
21 with federal law.

22 (Source: P.A. 90-561, eff. 12-16-97.)

23 Section 99. Effective date. This Act takes effect upon
24 becoming law.