



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

INTRODUCED _____, BY

4216

SYNOPSIS AS INTRODUCED:

New Act
20 ILCS 3855/1-129 new
30 ILCS 105/5.970 new

Creates the Illinois Regional Generation Reliability Task Force Act. Sets forth findings of the General Assembly. Creates the Illinois Regional Generation Reliability Task Force. Provides that the Task Force shall monitor the reliability of the Illinois power grid. contains provisions concerning: the membership of the Task Force; duties of the Task Force; administrative support; and an annual report. Amends the Illinois Power Agency Act. Provides that the Carbon Capture Infrastructure Fund is created as a special fund in the State treasury and shall be administered by the Illinois Power Agency. Provides that \$10,000,000 shall be transferred from the Illinois Power Agency Renewable Energy Resources Fund to the Carbon Capture Infrastructure Fund. Provides that the Agency shall award grants from the fund to carbon producing power plants for the construction of new carbon capture storage systems. Amends the State Finance Act to create the Carbon Capture Infrastructure Fund. Effective immediately.

LRB102 28149 AMQ 39956 b

A BILL FOR

1 AN ACT concerning State government.

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
5 Illinois Regional Generation Reliability Task Force Act.

6 Section 5. Findings. The General Assembly hereby finds,
7 determines, and declares the following:

8 (1) The reliability of the Illinois electricity grid
9 is critically important to the consumers, businesses, and
10 all residents of Illinois and should not be compromised.

11 (2) Illinois has taken definitive steps toward
12 redefining the generation mix in Illinois.

13 (3) the Midcontinent Independent System Operator, Inc.
14 ("MISO") is an independent, not-for-profit, member-based
15 organization responsible for operating the power grid
16 across 15 states and the Canadian province of Manitoba,
17 serving 42 million people.

18 (4) The PJM Interconnection LLC ("PJM"), is an
19 independent not-for-profit, member-based Regional
20 Transmission Organization ("RTO") that manages the
21 operations, supply, and movement of power across 13 states
22 and the District of Columbia, serving 65 million people.

23 (5) Illinois is served by both PJM and MISO, which

1 collectively ensure that sufficient electric power
2 generation supply and transmission are available to meet
3 electric demand every minute of every day for over 107
4 million people across 28 states and 2 countries. Wholesale
5 electric power generation is regulated by the Federal
6 Energy Regulatory Commission due to the interstate and
7 international nature of the transmission grid operated by
8 PJM and MISO. As such, Illinois policy changes at the
9 State level can affect the reliability, availability, and
10 cost of power for seniors, families, businesses,
11 municipalities, universities, and hospitals across the
12 region.

13 (6) When natural disasters occur, such as ice storms,
14 blizzards, tornadoes, and hurricanes, states participating
15 in PJM and MISO have provided support to each other
16 through power generation restoration missions. The
17 inability to deliver power generation in critical times
18 can have a huge economic impact and can also result in
19 death across the PJM and MISO Regional Transmission
20 Organizations.

21 (7) PJM and MISO have multiple markets in which power
22 suppliers participate. The Capacity Market, Day-Ahead
23 Energy Market, and Frequency Market are markets that power
24 generators participate in to ensure over 107 million
25 people across 28 states and 2 countries receive the right
26 amount of electricity every minute of every day.

1 (A) Capacity markets are used in wholesale
2 electricity markets to pay resources for being
3 available to meet peak electricity demand. Capacity is
4 not actual electricity, but rather the ability to
5 produce electricity when called upon. Capacity is
6 procured, sometimes multiple years in advance of when
7 it is needed, based on projections of future energy
8 needs using historical demand requirements.

9 (B) The Day-Ahead Energy Market lets market
10 participants commit to buy or sell wholesale
11 electricity one day before the power is needed, to
12 help avoid price volatility. The Real-Time Energy
13 Market balances the differences between day-ahead
14 commitments and the actual real-time demand for and
15 production of electricity.

16 (C) The power grid operates, and shall be
17 maintained, at a constant frequency of 60 hertz.
18 Significant deviation from this level can result in
19 catastrophic damage to the power grid as well as
20 household appliances. Frequency is maintained when
21 electric generators automatically add or remove power
22 from the grid. For example, a large power plant
23 suddenly tripping offline reduces the total amount of
24 available kinetic energy, leading the rotating
25 generators on the system to start rotating less
26 rapidly and thereby decreasing the alternating current

1 frequency across the grid system. Since a generator
2 turbine's rotational velocity is directly coupled to
3 the grid frequency, the generator's control systems
4 can sense this frequency decline as an indicator of
5 insufficient energy provision. The control system
6 within each power plant, which usually has been in the
7 form of a governor, can then automatically increase
8 the plant's power output. This process is autonomous
9 because the governor does not have to wait for a
10 central dispatcher to send a signal, thus bypassing
11 communications system delays.

12 (8) The shifting generation mix in PJM and MISO will
13 require optimum performance and an increased focus on the
14 need to retain reliability as certain existing generators
15 shut down operations and new, intermittent generators are
16 added. Additionally, increased power generation
17 consumption due to increased electric vehicles and
18 charging stations, along with increased electrification of
19 building heating needs, will undoubtedly place greater
20 demand on the power system.

21 (9) Illinois has a responsibility to ensure the
22 performance of Illinois and Regional Power Grids are safe,
23 reliable, and maintain the necessary capacity to meet the
24 power demands of Illinois residents. Additionally,
25 Illinois has an obligation to do its part to ensure the
26 regional power grid is safe and reliable for its

1 partnering states. As part of the regional power grid,
2 Illinois should be concerned that shuttered facilities in
3 Illinois will be replaced by higher cost, higher emissions
4 resources from other states.

5 Section 10. Illinois Regional Generation Reliability Task
6 Force.

7 (a) The Illinois Regional Generation Reliability Task
8 Force is created. The Task Force shall monitor the reliability
9 of the Illinois power grid. The Task Force should consider the
10 present and future needs of Illinois consumers while
11 simultaneously addressing any issues related to the
12 performance and reliability of power generation and
13 transmission and being mindful of the ultimate cost to
14 consumers.

15 (b) The duties and responsibilities of the Task Force
16 include the following:

17 (1) Identifying and assessing policies, rules, and
18 laws that have the potential to significantly affect the
19 reliability of the Illinois and regional power grids.

20 (2) Developing a set of standards and conditions that
21 will ensure optimal performance of the Illinois and
22 regional power grids based on new and emerging
23 technologies.

24 (3) Identifying opportunities to improve the Illinois
25 power supply mix through existing and new laws to ensure

1 continued power reliability at affordable rates for
2 Illinois consumers.

3 (4) Compiling research and best practices from other
4 states and countries on how to deploy technology to
5 benefit the performance and reliability of the power grid.

6 (5) Developing tools to assess the impact of proposed
7 policies and evaluate their costs and benefits on
8 families, employers, the public, Illinois, and other
9 states as part of the Illinois and regional power grids.

10 (6) Identifying data, reports, and relevant
11 information on the performance of the power grid to ensure
12 reliability and that pricing of power generation is in the
13 best interest of families, businesses, and communities in
14 Illinois.

15 (7) Providing its findings and recommendations for
16 policy changes and any revisions to policies, rules, and
17 laws that will facilitate the stability and reliability of
18 the Illinois and regional power grids on an annual basis
19 to the General Assembly.

20 (8) Developing and proposing legislative concepts to
21 ensure the future stability and reliability of the power
22 grid.

23 Section 15. Membership; meetings.

24 (a) The members of the Illinois Regional Generation
25 Reliability Task Force shall be composed of the following:

1 (1) three Senators appointed by the President of the
2 Senate, one of whom shall be designated by the President
3 as the co-chair of the Task Force;

4 (2) three Representatives appointed by the Speaker of
5 the House of Representatives, one of whom shall be
6 designated by the Speaker as the co-chair of the Task
7 Force;

8 (3) three Senators appointed by the Minority Leader of
9 the Senate;

10 (4) three Representatives appointed by the Minority
11 Leader of the House of Representatives;

12 (5) one member appointed by the Governor whose sole
13 role is dedicated to energy policy for the State;

14 (6) one member of a State or local labor organization
15 appointed by the President of the Senate;

16 (7) one member of a State or local labor organization
17 appointed by the Speaker of the House of Representatives;

18 (8) one representative from PJM RTO, designated by
19 PJM;

20 (9) one representative from the PJM Independent Market
21 Monitor organization, designated by the PJM Independent
22 Market Monitor organization;

23 (10) one representative from MISO RTO, designated by
24 MISO;

25 (11) one representative from the MISO Independent
26 Market Monitor organization, designated by the MISO

1 Independent Market Monitor organization;

2 (12) six representatives from 6 different power
3 generation companies that operate in the PJM or MISO
4 regional transmission organization, 2 appointed by the
5 President of the Senate, 2 appointed by the Speaker of the
6 House of Representatives, one appointed by the Minority
7 Leader in the Senate, and one appointed by the Minority
8 Leader in the House of Representatives;

9 (13) one representative from a statewide organization
10 representing retail merchants, appointed by the President
11 of the Senate;

12 (14) one representative from a statewide organization
13 representing manufacturers, appointed by the Speaker of
14 the House of Representatives;

15 (15) one representative from a statewide organization
16 representing retired people, appointed by the Speaker of
17 the House of Representatives;

18 (16) one representative from a minority-owned
19 geothermal group, appointed by the President of the
20 Senate;

21 (17) one representative from a statewide organization
22 representing business, appointed by the Speaker of the
23 House of Representatives;

24 (18) two representatives from environmental law
25 groups, one appointed by the President of the Senate and
26 one appointed by the Speaker of the House of

Representatives;

(19) the Director of the Illinois Power Agency, or the Director's designee;

(20) the Director of the Environmental Protection Agency, or the Director's designee; and

(21) the Chair of the Illinois Commerce Commission, or the Chair's designee.

(b) Appointments for the Task Force shall be made by November 1, 2022. The Task Force shall hold 7 meetings annually, either remotely or in person, and the first meeting shall be held within 30 days after appointments are made.

(c) Members of the Task Force shall serve without compensation.

(d) The Illinois Commerce Commission shall provide administrative support to the Task Force in conjunction with the Independent Market Monitors for the MISO and PJM Regional Transmission Organizations.

Section 20. Annual report.

(a) The Illinois Regional Generation Reliability Task Force shall issue an annual report based upon its findings in the course of performing its duties and responsibilities. The report shall be written by the administrative staff of the Task Force and with staff assistance from the Independent Market Monitors from the MISO and PJM Regional Transmission Organizations.

1 (b) The Illinois Regional Generation Reliability Task
2 Force shall submit its first report on April 1, 2023, and each
3 April 1 thereafter to the General Assembly upon the completion
4 of its meeting schedule and shall continue to issue annual
5 reports each year.

6 Section 900. The Illinois Power Agency Act is amended by
7 adding Section 1-129 as follows:

8 (20 ILCS 3855/1-129 new)

9 Sec. 1-129. Carbon Capture Infrastructure Fund.

10 (a) The Carbon Capture Infrastructure Fund is created as a
11 special fund in the State treasury.

12 (b) The Carbon Capture Infrastructure Fund shall be
13 administered by the Agency to award grants for the
14 construction of new carbon capture storage systems.

15 (c) As soon as practicable after the effective date of
16 this amendatory Act of the 102nd General Assembly, \$10,000,000
17 shall be transferred from the Illinois Power Agency Renewable
18 Energy Resources Fund to the Carbon Capture Infrastructure
19 Fund.

20 (d) The Agency shall award grants from the Carbon Capture
21 Infrastructure Fund to carbon producing power plants in
22 Illinois for the construction of new carbon capture storage
23 systems.

24 (e) The Agency shall adopt rules to implement this

1 Section.

2 Section 905. The State Finance Act is amended by adding
3 Section 5.970 as follows:

4 (30 ILCS 105/5.970 new)

5 Sec. 5.970. The Carbon Capture Infrastructure Fund.

6 Section 999. Effective date. This Act takes effect upon
7 becoming law.