

AN ACT concerning public utilities.

**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  
Article XX as follows:

(220 ILCS 5/Art. XX heading new)

ARTICLE XX. RETAIL ELECTRIC COMPETITION

(220 ILCS 5/20-101 new)

Sec. 20-101. This Article may be cited as the Retail  
Electric Competition Act of 2006.

(220 ILCS 5/20-102 new)

Sec. 20-102. Findings and intent.

(a) A competitive wholesale electricity market alone will  
not deliver the full benefits of competition to Illinois  
consumers. For Illinois consumers to receive products, prices  
and terms tailored to meet their needs, a competitive wholesale  
electricity market must be closely linked to a competitive  
retail electric market.

(b) To date, as a result of the Electric Service Customer  
Choice and Rate Relief Law of 1997, thousands of large Illinois  
commercial and industrial consumers have experienced the  
benefits of a competitive retail electricity market.  
Alternative electric retail suppliers actively compete to  
supply electricity to large Illinois commercial and industrial  
consumers with attractive prices, terms, and conditions.

(c) A competitive retail electric market does not yet exist  
for residential and small commercial consumers. As a result,  
millions of residential and small commercial consumers in  
Illinois are faced with escalating heating and power bills and  
are unable to shop for alternatives to the rates demanded by

the State's incumbent electric utilities.

(d) The General Assembly reiterates its findings from the Electric Service Customer Choice and Rate Relief Law of 1997 that the Illinois Commerce Commission should promote the development of an effectively competitive retail electricity market that operates efficiently and benefits all Illinois consumers.

(220 ILCS 5/20-105 new)

Sec. 20-105. Definitions. In this Article:

"Director" means the Director of the Office of Retail Market Development.

"Office" means the Office of Retail Market Development.

(220 ILCS 5/20-110 new)

Sec. 20-110. Office of Retail Market Development. Within 90 days after the effective date of this amendatory Act of the 94th General Assembly, subject to appropriation, the Commission shall establish an Office of Retail Market Development and employ on its staff a Director of Retail Market Development to oversee the Office. The Director shall have authority to employ or otherwise retain at least 2 professionals dedicated to the task of actively seeking out ways to promote retail competition in Illinois to benefit all Illinois consumers.

The Office shall actively seek input from all interested parties and shall develop a thorough understanding and critical analyses of the tools and techniques used to promote retail competition in other states.

The Office shall monitor existing competitive conditions in Illinois, identify barriers to retail competition for all customer classes, and actively explore and propose to the Commission and to the General Assembly solutions to overcome identified barriers. The Director may include municipal aggregation of customers and creating and designing customer

choice programs as tools for retail market development. Solutions proposed by the Office to promote retail competition must also promote safe, reliable, and affordable electric service.

On or before June 30 of each year, the Director shall submit a report to the Commission, the General Assembly, and the Governor, that details specific accomplishments achieved by the Office in the prior 12 months in promoting retail electric competition and that suggests administrative and legislative action necessary to promote further improvements in retail electric competition.

(220 ILCS 5/20-120 new)

Sec. 20-120. Residential and small commercial retail electric competition. Within 12 months after the effective date of this amendatory Act of the 94th General Assembly, the Director shall conduct research, gather input from all interested parties and develop and present to the Commission, the General Assembly, and the Governor a detailed plan designed to promote, in the most expeditious manner possible, retail electric competition for residential and small commercial electricity consumers while maintaining safe, reliable, and affordable service. Interested parties shall be given the opportunity to review the plan and provide written comments regarding the plan prior to its submission to the Commission, the General Assembly, and the Governor. Any written comments received by the Office shall be posted on the Commission's web site. The final plan submitted to the Commission, the General Assembly, and the Governor must include summaries of any written comments and must also be posted on the Commission's web site.

To the extent the plan calls for Commission action, the Commission shall initiate any proceeding or proceedings called for in the final plan within 60 days after receipt of the final plan and complete those proceedings within 11 months after their initiation.

Nothing in this Section shall prevent the Commission from acting earlier to remove identified barriers to retail electric competition for residential and small commercial consumers.

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