

Legislative and Regulatory Overview

- ▣ The Big Issue – Climate Change Legislation
 - Events moving quickly to an uncertain end
 - Waxman/Markey bill is in play
 - ▣ 600 + page to reach national cap and trade program
 - ▣ Bill would limit emissions of all greenhouse gases
 - ▣ Bill would require acquisition of allowances to emit
 - ▣ Amount of gases allowed to be emitted over time would decrease
 - ▣ Bill also addresses renewable and energy efficiency requirements

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- ▣ At this time
 - Waxman does not have votes to move the bill out of subcommittee
 - Will go to full committee for markup
 - Push back has surfaced from Democrats concerned about cost (our lobbying has had some effect)
 - Goal is to move bill to floor by Memorial Day
 - Future uncertain in Senate
- ▣ Section 5 issue
 - Equitable treatment for overcharges by pipelines

Legislative and Regulatory Overview

- ▣ At the State –
 - We successfully put off another net metering mandate
 - Major state “odds and ends” energy bill to be seen soon
 - ▣ IOU relationships with ICC
 - ▣ Natural gas energy efficiency portfolio
 - ▣ ICC revolving door language
 - ▣ New Percentage of Income (low income) program
 - ▣ On bill financing for appliances
 - ▣ Rider for uncollectable charges
 - New open meetings act legislation to be seen soon
 - SB 43 – Enterprise zone prevailing wage issue
 - SB 82 – muni audits of IOUs, shelved and set aside
 - HB 4012 – water notification issues due to well contamination in Crestwood

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- An amendment was introduced to House Bill 4021 as a consequence of recent media reports about the integrity of the water supply in suburban Crestwood.
 - It requires public water suppliers to notify their customers through first-class mail of certain actions within three business days of receiving notifications from the Illinois Environmental Protection Agency. The notification will be a copy of the document sent by the IEPA. The front of the envelope must contain a warning message. The public water supply shall provide proof of the mail within seven days to the IEPA.
 - There are four conditions that will trigger this requirement:
 - 1) an allegation and investigation by the IEPA that results in an enforcement action referred to the Attorney General's Office,
 - 2) a seal order of a water supply, well or plant
 - 3) alleged violations for falsifying documents or statements to the IEPA during an investigation of an alleged complaint, and
 - 4) potable resource groundwater contamination that poses a threat of exposure to the public.
 - Penalties increase in cases where operators falsify documents or fail to notify their customers. The amendment also requires public water suppliers to keep records, reports and other documents related to the operation of the community water system for ten years.
 - It is likely that this amendment will be assigned to the Senate Environment Committee for a hearing. The bill is currently on 2nd Reading in the Senate.

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- ▣ On March 5, 2009, USEPA proposed regulations for existing engines.
 - This proposal would require carbon monoxide emission reductions of 90% in most of the fleet.
 - Preliminary estimates of initial capital costs and annual operating costs for emission controls are significant.
 - In addition, USEPA is proposing to require emissions testing around the compliance date and periodically thereafter.
 - ▣ Certain operating parameters would also have to be maintained and continuously monitored.
 - ▣ Various recordkeeping and reporting requirements would also apply.
 - USEPA is taking public comment on this proposal until June 3rd and is expected to issue a final rule early next year.
 - Existing units in the fleet would then have three years to comply.