



## 103RD GENERAL ASSEMBLY

### State of Illinois

2023 and 2024

HB5544

Introduced 2/9/2024, by Rep. Lawrence "Larry" Walsh, Jr.

#### SYNOPSIS AS INTRODUCED:

20 ILCS 3855/1-5  
20 ILCS 3855/1-10  
20 ILCS 3855/1-20  
20 ILCS 3855/1-75  
20 ILCS 3855/1-93 new  
20 ILCS 3855/1-94 new  
220 ILCS 5/16-108  
220 ILCS 5/16-111.5

Amends the Illinois Power Agency Act. Makes legislative declarations and findings concerning the deployment of energy storage systems. Provides that the Illinois Power Agency has the power to conduct competitive solicitations to procure energy storage resources and conduct procurement events by which electric utilities execute contracts to purchase energy storage resources. Provides that the Agency shall develop a storage procurement plan that results in the electric utilities contracting for energy storage capacity from contracted energy storage systems. Provides that the Agency shall develop a storage procurement plan that results in the electric utilities contracting for energy storage resources from contracted energy storage systems in specified amounts. Provides that within 180 days of the effective date of the amendatory Act, the Agency shall develop an energy storage procurement plan. Provides that for all procurements of energy storage resources, the Agency shall direct respondents to offer a strike price. Authorizes the Agency to develop and implement a firm energy resource procurement plan. Provides that no later than December 31, 2026 and every 2 years thereafter, the Agency shall conduct an analysis to determine whether the contracted quantity of energy storage in energy storage capacity and energy storage duration is sufficient to support the State's renewable energy standards and carbon emission standards. Defines terms. Makes corresponding changes in the Public Utilities Act. Effective immediately.

LRB103 38715 CES 69699 b

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Illinois Power Agency Act is amended by  
5 changing Sections 1-5, 1-10, 1-20, and 1-75 and by adding  
6 Section 1-93 and 1-94 as follows:

7 (20 ILCS 3855/1-5)

8 Sec. 1-5. Legislative declarations and findings. The  
9 General Assembly finds and declares:

10 (1) The health, welfare, and prosperity of all  
11 Illinois residents require the provision of adequate,  
12 reliable, affordable, efficient, and environmentally  
13 sustainable electric service at the lowest total cost over  
14 time, taking into account any benefits of price stability.

15 (1.5) To provide the highest quality of life for the  
16 residents of Illinois and to provide for a clean and  
17 healthy environment, it is the policy of this State to  
18 rapidly transition to 100% clean energy by 2050.

19 (2) (Blank).

20 (3) (Blank).

21 (4) It is necessary to improve the process of  
22 procuring electricity to serve Illinois residents, to  
23 promote investment in energy efficiency and

1 demand-response measures, and to maintain and support  
2 development of clean coal technologies, generation  
3 resources that operate at all hours of the day and under  
4 all weather conditions, zero emission facilities, and  
5 renewable resources.

6 (5) Procuring a diverse electricity supply portfolio  
7 will ensure the lowest total cost over time for adequate,  
8 reliable, efficient, and environmentally sustainable  
9 electric service.

10 (6) Including renewable resources and zero emission  
11 credits from zero emission facilities in that portfolio  
12 will reduce long-term direct and indirect costs to  
13 consumers by decreasing environmental impacts and by  
14 avoiding or delaying the need for new generation,  
15 transmission, and distribution infrastructure. Developing  
16 new renewable energy resources in Illinois, including  
17 brownfield solar projects and community solar projects,  
18 will help to diversify Illinois electricity supply, avoid  
19 and reduce pollution, reduce peak demand, and enhance  
20 public health and well-being of Illinois residents.

21 (7) Developing community solar projects in Illinois  
22 will help to expand access to renewable energy resources  
23 to more Illinois residents.

24 (8) Developing brownfield solar projects in Illinois  
25 will help return blighted or contaminated land to  
26 productive use while enhancing public health and the

1 well-being of Illinois residents, including those in  
2 environmental justice communities.

3 (9) Energy efficiency, demand-response measures, zero  
4 emission energy, and renewable energy are resources  
5 currently underused in Illinois. These resources should be  
6 used, when cost effective, to reduce costs to consumers,  
7 improve reliability, and improve environmental quality and  
8 public health.

9 (10) The State should encourage the use of advanced  
10 clean coal technologies that capture and sequester carbon  
11 dioxide emissions to advance environmental protection  
12 goals and to demonstrate the viability of coal and  
13 coal-derived fuels in a carbon-constrained economy.

14 (10.5) The State should encourage the development of  
15 interregional high voltage direct current (HVDC)  
16 transmission lines that benefit Illinois. All ratepayers  
17 in the State served by the regional transmission  
18 organization where the HVDC converter station is  
19 interconnected benefit from the long-term price stability  
20 and market access provided by interregional HVDC  
21 transmission facilities. The benefits to Illinois include:  
22 reduction in wholesale power prices; access to lower-cost  
23 markets; enabling the integration of additional renewable  
24 generating units within the State through near  
25 instantaneous dispatchability and the provision of  
26 ancillary services; creating good-paying union jobs in

1 Illinois; and, enhancing grid reliability and climate  
2 resilience via HVDC facilities that are installed  
3 underground.

4 (10.6) The health, welfare, and safety of the people  
5 of the State are advanced by developing new HVDC  
6 transmission lines predominantly along transportation  
7 rights-of-way, with an HVDC converter station that is  
8 located in the service territory of a public utility as  
9 defined in Section 3-105 of the Public Utilities Act  
10 serving more than 3,000,000 retail customers, and with a  
11 project labor agreement as defined in Section 1-10 of this  
12 Act.

13 (11) The General Assembly enacted Public Act 96-0795  
14 to reform the State's purchasing processes, recognizing  
15 that government procurement is susceptible to abuse if  
16 structural and procedural safeguards are not in place to  
17 ensure independence, insulation, oversight, and  
18 transparency.

19 (12) The principles that underlie the procurement  
20 reform legislation apply also in the context of power  
21 purchasing.

22 (13) To ensure that the benefits of installing  
23 renewable resources are available to all Illinois  
24 residents and located across the State, subject to  
25 appropriation, it is necessary for the Agency to provide  
26 public information and educational resources on how

1 residents can benefit from the expansion of renewable  
2 energy in Illinois and participate in the Illinois Solar  
3 for All Program established in Section 1-56, the  
4 Adjustable Block program established in Section 1-75, the  
5 job training programs established by paragraph (1) of  
6 subsection (a) of Section 16-108.12 of the Public  
7 Utilities Act, and the programs and resources established  
8 by the Energy Transition Act.

9 (14) The deployment of energy storage systems is  
10 necessary to achieve high levels of renewable energy, to  
11 avoid the use of peaking fossil fuel plants, and to  
12 maintain an efficient, reliable, and resilient electric  
13 grid.

14 The General Assembly therefore finds that it is necessary  
15 to create the Illinois Power Agency and that the goals and  
16 objectives of that Agency are to accomplish each of the  
17 following:

18 (A) Develop electricity procurement plans to ensure  
19 adequate, reliable, affordable, efficient, and  
20 environmentally sustainable electric service at the lowest  
21 total cost over time, taking into account any benefits of  
22 price stability, for electric utilities that on December  
23 31, 2005 provided electric service to at least 100,000  
24 customers in Illinois and for small multi-jurisdictional  
25 electric utilities that (i) on December 31, 2005 served  
26 less than 100,000 customers in Illinois and (ii) request a

1 procurement plan for their Illinois jurisdictional load.  
2 The procurement plan shall be updated on an annual basis  
3 and shall include renewable energy resources and,  
4 beginning with the delivery year commencing June 1, 2017,  
5 zero emission credits from zero emission facilities  
6 sufficient to achieve the standards specified in this Act.

7 (B) Conduct the competitive procurement processes  
8 identified in this Act.

9 (C) Develop electric generation and co-generation  
10 facilities that use indigenous coal or renewable  
11 resources, or both, financed with bonds issued by the  
12 Illinois Finance Authority.

13 (D) Supply electricity from the Agency's facilities at  
14 cost to one or more of the following: municipal electric  
15 systems, governmental aggregators, or rural electric  
16 cooperatives in Illinois.

17 (E) Ensure that the process of power procurement is  
18 conducted in an ethical and transparent fashion, immune  
19 from improper influence.

20 (F) Continue to review its policies and practices to  
21 determine how best to meet its mission of providing the  
22 lowest cost power to the greatest number of people, at any  
23 given point in time, in accordance with applicable law.

24 (G) Operate in a structurally insulated, independent,  
25 and transparent fashion so that nothing impedes the  
26 Agency's mission to secure power at the best prices the

1 market will bear, provided that the Agency meets all  
2 applicable legal requirements.

3 (H) Implement renewable energy procurement and  
4 training programs throughout the State to diversify  
5 Illinois electricity supply, improve reliability, avoid  
6 and reduce pollution, reduce peak demand, and enhance  
7 public health and well-being of Illinois residents,  
8 including low-income residents.

9 (I) Implement procurements to cost-effectively deploy  
10 contracted energy storage systems.

11 (Source: P.A. 102-662, eff. 9-15-21.)

12 (20 ILCS 3855/1-10)

13 Sec. 1-10. Definitions.

14 "Agency" means the Illinois Power Agency.

15 "Agency loan agreement" means any agreement pursuant to  
16 which the Illinois Finance Authority agrees to loan the  
17 proceeds of revenue bonds issued with respect to a project to  
18 the Agency upon terms providing for loan repayment  
19 installments at least sufficient to pay when due all principal  
20 of, interest and premium, if any, on those revenue bonds, and  
21 providing for maintenance, insurance, and other matters in  
22 respect of the project.

23 "Authority" means the Illinois Finance Authority.

24 "Brownfield site photovoltaic project" means photovoltaics  
25 that are either:



1           (1) interconnected to an electric utility as defined  
2           in this Section, a municipal utility as defined in this  
3           Section, a public utility as defined in Section 3-105 of  
4           the Public Utilities Act, or an electric cooperative as  
5           defined in Section 3-119 of the Public Utilities Act and  
6           located at a site that is regulated by any of the following  
7           entities under the following programs:

8                   (A) the United States Environmental Protection  
9                   Agency under the federal Comprehensive Environmental  
10                   Response, Compensation, and Liability Act of 1980, as  
11                   amended;

12                   (B) the United States Environmental Protection  
13                   Agency under the Corrective Action Program of the  
14                   federal Resource Conservation and Recovery Act, as  
15                   amended;

16                   (C) the Illinois Environmental Protection Agency  
17                   under the Illinois Site Remediation Program; or

18                   (D) the Illinois Environmental Protection Agency  
19                   under the Illinois Solid Waste Program; or

20           (2) located at the site of a coal mine that has  
21           permanently ceased coal production, permanently halted any  
22           re-mining operations, and is no longer accepting any coal  
23           combustion residues; has both completed all clean-up and  
24           remediation obligations under the federal Surface Mining  
25           and Reclamation Act of 1977 and all applicable Illinois  
26           rules and any other clean-up, remediation, or ongoing

1 monitoring to safeguard the health and well-being of the  
2 people of the State of Illinois, as well as demonstrated  
3 compliance with all applicable federal and State  
4 environmental rules and regulations, including, but not  
5 limited, to 35 Ill. Adm. Code Part 845 and any rules for  
6 historic fill of coal combustion residuals, including any  
7 rules finalized in Subdocket A of Illinois Pollution  
8 Control Board docket R2020-019.

9 "Clean coal facility" means an electric generating  
10 facility that uses primarily coal as a feedstock and that  
11 captures and sequesters carbon dioxide emissions at the  
12 following levels: at least 50% of the total carbon dioxide  
13 emissions that the facility would otherwise emit if, at the  
14 time construction commences, the facility is scheduled to  
15 commence operation before 2016, at least 70% of the total  
16 carbon dioxide emissions that the facility would otherwise  
17 emit if, at the time construction commences, the facility is  
18 scheduled to commence operation during 2016 or 2017, and at  
19 least 90% of the total carbon dioxide emissions that the  
20 facility would otherwise emit if, at the time construction  
21 commences, the facility is scheduled to commence operation  
22 after 2017. The power block of the clean coal facility shall  
23 not exceed allowable emission rates for sulfur dioxide,  
24 nitrogen oxides, carbon monoxide, particulates and mercury for  
25 a natural gas-fired combined-cycle facility the same size as  
26 and in the same location as the clean coal facility at the time

1 the clean coal facility obtains an approved air permit. All  
2 coal used by a clean coal facility shall have high volatile  
3 bituminous rank and greater than 1.7 pounds of sulfur per  
4 million Btu content, unless the clean coal facility does not  
5 use gasification technology and was operating as a  
6 conventional coal-fired electric generating facility on June  
7 1, 2009 (the effective date of Public Act 95-1027).

8 "Clean coal SNG brownfield facility" means a facility that  
9 (1) has commenced construction by July 1, 2015 on an urban  
10 brownfield site in a municipality with at least 1,000,000  
11 residents; (2) uses a gasification process to produce  
12 substitute natural gas; (3) uses coal as at least 50% of the  
13 total feedstock over the term of any sourcing agreement with a  
14 utility and the remainder of the feedstock may be either  
15 petroleum coke or coal, with all such coal having a high  
16 bituminous rank and greater than 1.7 pounds of sulfur per  
17 million Btu content unless the facility reasonably determines  
18 that it is necessary to use additional petroleum coke to  
19 deliver additional consumer savings, in which case the  
20 facility shall use coal for at least 35% of the total feedstock  
21 over the term of any sourcing agreement; and (4) captures and  
22 sequesters at least 85% of the total carbon dioxide emissions  
23 that the facility would otherwise emit.

24 "Clean coal SNG facility" means a facility that uses a  
25 gasification process to produce substitute natural gas, that  
26 sequesters at least 90% of the total carbon dioxide emissions

1 that the facility would otherwise emit, that uses at least 90%  
2 coal as a feedstock, with all such coal having a high  
3 bituminous rank and greater than 1.7 pounds of sulfur per  
4 million Btu content, and that has a valid and effective permit  
5 to construct emission sources and air pollution control  
6 equipment and approval with respect to the federal regulations  
7 for Prevention of Significant Deterioration of Air Quality  
8 (PSD) for the plant pursuant to the federal Clean Air Act;  
9 provided, however, a clean coal SNG brownfield facility shall  
10 not be a clean coal SNG facility.

11 "Clean energy" means energy generation that is 90% or  
12 greater free of carbon dioxide emissions.

13 "Commission" means the Illinois Commerce Commission.

14 "Community renewable generation project" means an electric  
15 generating facility that:

16 (1) is powered by wind, solar thermal energy,  
17 photovoltaic cells or panels, biodiesel, crops and  
18 untreated and unadulterated organic waste biomass, and  
19 hydropower that does not involve new construction of dams;

20 (2) is interconnected at the distribution system level  
21 of an electric utility as defined in this Section, a  
22 municipal utility as defined in this Section that owns or  
23 operates electric distribution facilities, a public  
24 utility as defined in Section 3-105 of the Public  
25 Utilities Act, or an electric cooperative, as defined in  
26 Section 3-119 of the Public Utilities Act;

1           (3) credits the value of electricity generated by the  
2           facility to the subscribers of the facility; and

3           (4) is limited in nameplate capacity to less than or  
4           equal to 5,000 kilowatts.

5           "Costs incurred in connection with the development and  
6           construction of a facility" means:

7           (1) the cost of acquisition of all real property,  
8           fixtures, and improvements in connection therewith and  
9           equipment, personal property, and other property, rights,  
10          and easements acquired that are deemed necessary for the  
11          operation and maintenance of the facility;

12          (2) financing costs with respect to bonds, notes, and  
13          other evidences of indebtedness of the Agency;

14          (3) all origination, commitment, utilization,  
15          facility, placement, underwriting, syndication, credit  
16          enhancement, and rating agency fees;

17          (4) engineering, design, procurement, consulting,  
18          legal, accounting, title insurance, survey, appraisal,  
19          escrow, trustee, collateral agency, interest rate hedging,  
20          interest rate swap, capitalized interest, contingency, as  
21          required by lenders, and other financing costs, and other  
22          expenses for professional services; and

23          (5) the costs of plans, specifications, site study and  
24          investigation, installation, surveys, other Agency costs  
25          and estimates of costs, and other expenses necessary or  
26          incidental to determining the feasibility of any project,

1 together with such other expenses as may be necessary or  
2 incidental to the financing, insuring, acquisition, and  
3 construction of a specific project and starting up,  
4 commissioning, and placing that project in operation.

5 "Delivery services" has the same definition as found in  
6 Section 16-102 of the Public Utilities Act.

7 "Delivery year" means the consecutive 12-month period  
8 beginning June 1 of a given year and ending May 31 of the  
9 following year.

10 "Department" means the Department of Commerce and Economic  
11 Opportunity.

12 "Director" means the Director of the Illinois Power  
13 Agency.

14 "Demand-response" means measures that decrease peak  
15 electricity demand or shift demand from peak to off-peak  
16 periods.

17 "Distributed renewable energy generation device" means a  
18 device that is:

19 (1) powered by wind, solar thermal energy,  
20 photovoltaic cells or panels, biodiesel, crops and  
21 untreated and unadulterated organic waste biomass, tree  
22 waste, and hydropower that does not involve new  
23 construction of dams, waste heat to power systems, or  
24 qualified combined heat and power systems;

25 (2) interconnected at the distribution system level of  
26 either an electric utility as defined in this Section, a

1 municipal utility as defined in this Section that owns or  
2 operates electric distribution facilities, or a rural  
3 electric cooperative as defined in Section 3-119 of the  
4 Public Utilities Act;

5 (3) located on the customer side of the customer's  
6 electric meter and is primarily used to offset that  
7 customer's electricity load; and

8 (4) (blank).

9 "Energy efficiency" means measures that reduce the amount  
10 of electricity or natural gas consumed in order to achieve a  
11 given end use. "Energy efficiency" includes voltage  
12 optimization measures that optimize the voltage at points on  
13 the electric distribution voltage system and thereby reduce  
14 electricity consumption by electric customers' end use  
15 devices. "Energy efficiency" also includes measures that  
16 reduce the total Btus of electricity, natural gas, and other  
17 fuels needed to meet the end use or uses.

18 "Energy storage capacity" means the nameplate capacity of  
19 a contracted energy storage system, measured in megawatts AC.

20 "Energy storage credit" means a fungible credit that  
21 represents the flexibility value of a contracted energy  
22 storage system. An energy storage credit is produced for each  
23 one megawatt of energy storage capacity multiplied by the  
24 energy storage duration each day that the contracted energy  
25 storage system is interconnected with wholesale electricity  
26 markets.

1       "Energy storage duration" means the number of hours over  
2 which an energy storage system is capable of continuously  
3 discharging energy at its full energy storage capacity.

4       "Energy storage system and energy storage resource" means  
5 commercially available technology that is capable of absorbing  
6 energy and storing it for use at a later time, including, but  
7 not limited to, electrochemical and electromechanical  
8 technologies. "Energy storage system and energy storage  
9 resource" does not include technologies that require  
10 combustion.

11       "Electric utility" has the same definition as found in  
12 Section 16-102 of the Public Utilities Act.

13       "Equity investment eligible community" or "eligible  
14 community" are synonymous and mean the geographic areas  
15 throughout Illinois which would most benefit from equitable  
16 investments by the State designed to combat discrimination.  
17 Specifically, the eligible communities shall be defined as the  
18 following areas:

19           (1) R3 Areas as established pursuant to Section 10-40  
20 of the Cannabis Regulation and Tax Act, where residents  
21 have historically been excluded from economic  
22 opportunities, including opportunities in the energy  
23 sector; and

24           (2) environmental justice communities, as defined by  
25 the Illinois Power Agency pursuant to the Illinois Power  
26 Agency Act, where residents have historically been subject



1 to disproportionate burdens of pollution, including  
2 pollution from the energy sector.

3 "Equity eligible persons" or "eligible persons" means  
4 persons who would most benefit from equitable investments by  
5 the State designed to combat discrimination, specifically:

6 (1) persons who graduate from or are current or former  
7 participants in the Clean Jobs Workforce Network Program,  
8 the Clean Energy Contractor Incubator Program, the  
9 Illinois Climate Works Preapprenticeship Program,  
10 Returning Residents Clean Jobs Training Program, or the  
11 Clean Energy Primes Contractor Accelerator Program, and  
12 the solar training pipeline and multi-cultural jobs  
13 program created in paragraphs (a) (1) and (a) (3) of Section  
14 16-208.12 of the Public Utilities Act;

15 (2) persons who are graduates of or currently enrolled  
16 in the foster care system;

17 (3) persons who were formerly incarcerated;

18 (4) persons whose primary residence is in an equity  
19 investment eligible community.

20 "Equity eligible contractor" means a business that is  
21 majority-owned by eligible persons, or a nonprofit or  
22 cooperative that is majority-governed by eligible persons, or  
23 is a natural person that is an eligible person offering  
24 personal services as an independent contractor.

25 "Facility" means an electric generating unit or a  
26 co-generating unit that produces electricity along with

1 related equipment necessary to connect the facility to an  
2 electric transmission or distribution system.

3 "General contractor" means the entity or organization with  
4 main responsibility for the building of a construction project  
5 and who is the party signing the prime construction contract  
6 for the project.

7 "Governmental aggregator" means one or more units of local  
8 government that individually or collectively procure  
9 electricity to serve residential retail electrical loads  
10 located within its or their jurisdiction.

11 "High voltage direct current converter station" means the  
12 collection of equipment that converts direct current energy  
13 from a high voltage direct current transmission line into  
14 alternating current using Voltage Source Conversion technology  
15 and that is interconnected with transmission or distribution  
16 assets located in Illinois.

17 "High voltage direct current renewable energy credit"  
18 means a renewable energy credit associated with a renewable  
19 energy resource where the renewable energy resource has  
20 entered into a contract to transmit the energy associated with  
21 such renewable energy credit over high voltage direct current  
22 transmission facilities.

23 "High voltage direct current transmission facilities"  
24 means the collection of installed equipment that converts  
25 alternating current energy in one location to direct current  
26 and transmits that direct current energy to a high voltage

1 direct current converter station using Voltage Source  
2 Conversion technology. "High voltage direct current  
3 transmission facilities" includes the high voltage direct  
4 current converter station itself and associated high voltage  
5 direct current transmission lines. Notwithstanding the  
6 preceding, after September 15, 2021 (the effective date of  
7 Public Act 102-662), an otherwise qualifying collection of  
8 equipment does not qualify as high voltage direct current  
9 transmission facilities unless its developer entered into a  
10 project labor agreement, is capable of transmitting  
11 electricity at 525kv with an Illinois converter station  
12 located and interconnected in the region of the PJM  
13 Interconnection, LLC, and the system does not operate as a  
14 public utility, as that term is defined in Section 3-105 of the  
15 Public Utilities Act.

16 "Hydropower" means any method of electricity generation or  
17 storage that results from the flow of water, including  
18 impoundment facilities, diversion facilities, and pumped  
19 storage facilities.

20 "Index price" means the real-time energy settlement price  
21 at the applicable Illinois trading hub, such as PJM-NIHUB or  
22 MISO-IL, for a given settlement period.

23 "Indexed renewable energy credit" means a tradable credit  
24 that represents the environmental attributes of one megawatt  
25 hour of energy produced from a renewable energy resource, the  
26 price of which shall be calculated by subtracting the strike

1 price offered by a new utility-scale wind project or a new  
2 utility-scale photovoltaic project from the index price in a  
3 given settlement period.

4 "Indexed renewable energy credit counterparty" has the  
5 same meaning as "public utility" as defined in Section 3-105  
6 of the Public Utilities Act.

7 "Local government" means a unit of local government as  
8 defined in Section 1 of Article VII of the Illinois  
9 Constitution.

10 "Long-duration energy storage" means an energy storage  
11 system capable of dispatching energy at its full rated  
12 capacity for 10 or more hours.

13 "Long-term energy storage contract" means a contract for  
14 the purchase of energy storage generated by an energy storage  
15 system for a period of at least 15 years.

16 "Multi-day energy storage" means an energy storage system  
17 capable of dispatching energy at its full rated capacity for  
18 greater than 24 hours.

19 "Modernized" or "retooled" means the construction, repair,  
20 maintenance, or significant expansion of turbines and existing  
21 hydropower dams.

22 "Municipality" means a city, village, or incorporated  
23 town.

24 "Municipal utility" means a public utility owned and  
25 operated by any subdivision or municipal corporation of this  
26 State.

1 "Nameplate capacity" means the aggregate inverter  
2 nameplate capacity in kilowatts AC.

3 "Person" means any natural person, firm, partnership,  
4 corporation, either domestic or foreign, company, association,  
5 limited liability company, joint stock company, or association  
6 and includes any trustee, receiver, assignee, or personal  
7 representative thereof.

8 "Project" means the planning, bidding, and construction of  
9 a facility.

10 "Project labor agreement" means a pre-hire collective  
11 bargaining agreement that covers all terms and conditions of  
12 employment on a specific construction project and must include  
13 the following:

14 (1) provisions establishing the minimum hourly wage  
15 for each class of labor organization employee;

16 (2) provisions establishing the benefits and other  
17 compensation for each class of labor organization  
18 employee;

19 (3) provisions establishing that no strike or disputes  
20 will be engaged in by the labor organization employees;

21 (4) provisions establishing that no lockout or  
22 disputes will be engaged in by the general contractor  
23 building the project; and

24 (5) provisions for minorities and women, as defined  
25 under the Business Enterprise for Minorities, Women, and  
26 Persons with Disabilities Act, setting forth goals for

1 apprenticeship hours to be performed by minorities and  
2 women and setting forth goals for total hours to be  
3 performed by underrepresented minorities and women.

4 A labor organization and the general contractor building  
5 the project shall have the authority to include other terms  
6 and conditions as they deem necessary.

7 "Public utility" has the same definition as found in  
8 Section 3-105 of the Public Utilities Act.

9 "Qualified combined heat and power systems" means systems  
10 that, either simultaneously or sequentially, produce  
11 electricity and useful thermal energy from a single fuel  
12 source. Such systems are eligible for "renewable energy  
13 credits" in an amount equal to its total energy output where a  
14 renewable fuel is consumed or in an amount equal to the net  
15 reduction in nonrenewable fuel consumed on a total energy  
16 output basis.

17 "Real property" means any interest in land together with  
18 all structures, fixtures, and improvements thereon, including  
19 lands under water and riparian rights, any easements,  
20 covenants, licenses, leases, rights-of-way, uses, and other  
21 interests, together with any liens, judgments, mortgages, or  
22 other claims or security interests related to real property.

23 "Renewable energy credit" means a tradable credit that  
24 represents the environmental attributes of one megawatt hour  
25 of energy produced from a renewable energy resource.

26 "Renewable energy resources" includes energy and its

1 associated renewable energy credit or renewable energy credits  
2 from wind, solar thermal energy, photovoltaic cells and  
3 panels, biodiesel, anaerobic digestion, crops and untreated  
4 and unadulterated organic waste biomass, and hydropower that  
5 does not involve new construction of dams, waste heat to power  
6 systems, or qualified combined heat and power systems. For  
7 purposes of this Act, landfill gas produced in the State is  
8 considered a renewable energy resource. "Renewable energy  
9 resources" does not include the incineration or burning of  
10 tires, garbage, general household, institutional, and  
11 commercial waste, industrial lunchroom or office waste,  
12 landscape waste, railroad crossties, utility poles, or  
13 construction or demolition debris, other than untreated and  
14 unadulterated waste wood. "Renewable energy resources" also  
15 includes high voltage direct current renewable energy credits  
16 and the associated energy converted to alternating current by  
17 a high voltage direct current converter station to the extent  
18 that: (1) the generator of such renewable energy resource  
19 contracted with a third party to transmit the energy over the  
20 high voltage direct current transmission facilities, and (2)  
21 the third-party contracting for delivery of renewable energy  
22 resources over the high voltage direct current transmission  
23 facilities have ownership rights over the unretired associated  
24 high voltage direct current renewable energy credit.

25 "Retail customer" has the same definition as found in  
26 Section 16-102 of the Public Utilities Act.

1 "Revenue bond" means any bond, note, or other evidence of  
2 indebtedness issued by the Authority, the principal and  
3 interest of which is payable solely from revenues or income  
4 derived from any project or activity of the Agency.

5 "Sequester" means permanent storage of carbon dioxide by  
6 injecting it into a saline aquifer, a depleted gas reservoir,  
7 or an oil reservoir, directly or through an enhanced oil  
8 recovery process that may involve intermediate storage,  
9 regardless of whether these activities are conducted by a  
10 clean coal facility, a clean coal SNG facility, a clean coal  
11 SNG brownfield facility, or a party with which a clean coal  
12 facility, clean coal SNG facility, or clean coal SNG  
13 brownfield facility has contracted for such purposes.

14 "Service area" has the same definition as found in Section  
15 16-102 of the Public Utilities Act.

16 "Settlement period" means the period of time utilized by  
17 MISO and PJM and their successor organizations as the basis  
18 for settlement calculations in the real-time energy market.

19 "Sourcing agreement" means (i) in the case of an electric  
20 utility, an agreement between the owner of a clean coal  
21 facility and such electric utility, which agreement shall have  
22 terms and conditions meeting the requirements of paragraph (3)  
23 of subsection (d) of Section 1-75, (ii) in the case of an  
24 alternative retail electric supplier, an agreement between the  
25 owner of a clean coal facility and such alternative retail  
26 electric supplier, which agreement shall have terms and



1 conditions meeting the requirements of Section 16-115(d) (5) of  
2 the Public Utilities Act, and (iii) in case of a gas utility,  
3 an agreement between the owner of a clean coal SNG brownfield  
4 facility and the gas utility, which agreement shall have the  
5 terms and conditions meeting the requirements of subsection  
6 (h-1) of Section 9-220 of the Public Utilities Act.

7 "Strike price" means a contract price for energy and  
8 renewable energy credits from a new utility-scale wind project  
9 or a new utility-scale photovoltaic project.

10 "Subscriber" means a person who (i) takes delivery service  
11 from an electric utility, and (ii) has a subscription of no  
12 less than 200 watts to a community renewable generation  
13 project that is located in the electric utility's service  
14 area. No subscriber's subscriptions may total more than 40% of  
15 the nameplate capacity of an individual community renewable  
16 generation project. Entities that are affiliated by virtue of  
17 a common parent shall not represent multiple subscriptions  
18 that total more than 40% of the nameplate capacity of an  
19 individual community renewable generation project.

20 "Subscription" means an interest in a community renewable  
21 generation project expressed in kilowatts, which is sized  
22 primarily to offset part or all of the subscriber's  
23 electricity usage.

24 "Substitute natural gas" or "SNG" means a gas manufactured  
25 by gasification of hydrocarbon feedstock, which is  
26 substantially interchangeable in use and distribution with

1 conventional natural gas.

2 "Total resource cost test" or "TRC test" means a standard  
3 that is met if, for an investment in energy efficiency or  
4 demand-response measures, the benefit-cost ratio is greater  
5 than one. The benefit-cost ratio is the ratio of the net  
6 present value of the total benefits of the program to the net  
7 present value of the total costs as calculated over the  
8 lifetime of the measures. A total resource cost test compares  
9 the sum of avoided electric utility costs, representing the  
10 benefits that accrue to the system and the participant in the  
11 delivery of those efficiency measures and including avoided  
12 costs associated with reduced use of natural gas or other  
13 fuels, avoided costs associated with reduced water  
14 consumption, and avoided costs associated with reduced  
15 operation and maintenance costs, as well as other quantifiable  
16 societal benefits, to the sum of all incremental costs of  
17 end-use measures that are implemented due to the program  
18 (including both utility and participant contributions), plus  
19 costs to administer, deliver, and evaluate each demand-side  
20 program, to quantify the net savings obtained by substituting  
21 the demand-side program for supply resources. In calculating  
22 avoided costs of power and energy that an electric utility  
23 would otherwise have had to acquire, reasonable estimates  
24 shall be included of financial costs likely to be imposed by  
25 future regulations and legislation on emissions of greenhouse  
26 gases. In discounting future societal costs and benefits for

1 the purpose of calculating net present values, a societal  
2 discount rate based on actual, long-term Treasury bond yields  
3 should be used. Notwithstanding anything to the contrary, the  
4 TRC test shall not include or take into account a calculation  
5 of market price suppression effects or demand reduction  
6 induced price effects.

7 "Utility-scale solar project" means an electric generating  
8 facility that:

9 (1) generates electricity using photovoltaic cells;

10 and

11 (2) has a nameplate capacity that is greater than  
12 5,000 kilowatts.

13 "Utility-scale wind project" means an electric generating  
14 facility that:

15 (1) generates electricity using wind; and

16 (2) has a nameplate capacity that is greater than  
17 5,000 kilowatts.

18 "Waste Heat to Power Systems" means systems that capture  
19 and generate electricity from energy that would otherwise be  
20 lost to the atmosphere without the use of additional fuel.

21 "Zero emission credit" means a tradable credit that  
22 represents the environmental attributes of one megawatt hour  
23 of energy produced from a zero emission facility.

24 "Zero emission facility" means a facility that: (1) is  
25 fueled by nuclear power; and (2) is interconnected with PJM  
26 Interconnection, LLC or the Midcontinent Independent System

1 Operator, Inc., or their successors.

2 (Source: P.A. 102-662, eff. 9-15-21; 103-154, eff. 6-28-23;  
3 103-380, eff. 1-1-24.)

4 (20 ILCS 3855/1-20)

5 Sec. 1-20. General powers and duties of the Agency.

6 (a) The Agency is authorized to do each of the following:

7 (1) Develop electricity procurement plans to ensure  
8 adequate, reliable, affordable, efficient, and  
9 environmentally sustainable electric service at the lowest  
10 total cost over time, taking into account any benefits of  
11 price stability, for electric utilities that on December  
12 31, 2005 provided electric service to at least 100,000  
13 customers in Illinois and for small multi-jurisdictional  
14 electric utilities that (A) on December 31, 2005 served  
15 less than 100,000 customers in Illinois and (B) request a  
16 procurement plan for their Illinois jurisdictional load.  
17 Except as provided in paragraph (1.5) of this subsection  
18 (a), the electricity procurement plans shall be updated on  
19 an annual basis and shall include electricity generated  
20 from renewable resources sufficient to achieve the  
21 standards specified in this Act. Beginning with the  
22 delivery year commencing June 1, 2017, develop procurement  
23 plans to include zero emission credits generated from zero  
24 emission facilities sufficient to achieve the standards  
25 specified in this Act. Beginning with the delivery year

1 commencing on June 1, 2022, the Agency is authorized to  
2 develop carbon mitigation credit procurement plans to  
3 include carbon mitigation credits generated from  
4 carbon-free energy resources sufficient to achieve the  
5 standards specified in this Act.

6 (1.5) Develop a long-term renewable resources  
7 procurement plan in accordance with subsection (c) of  
8 Section 1-75 of this Act for renewable energy credits in  
9 amounts sufficient to achieve the standards specified in  
10 this Act for delivery years commencing June 1, 2017 and  
11 for the programs and renewable energy credits specified in  
12 Section 1-56 of this Act. Electricity procurement plans  
13 for delivery years commencing after May 31, 2017, shall  
14 not include procurement of renewable energy resources.

15 (2) Conduct competitive procurement processes to  
16 procure the supply resources identified in the electricity  
17 procurement plan, pursuant to Section 16-111.5 of the  
18 Public Utilities Act, and, for the delivery year  
19 commencing June 1, 2017, conduct procurement processes to  
20 procure zero emission credits from zero emission  
21 facilities, under subsection (d-5) of Section 1-75 of this  
22 Act. For the delivery year commencing June 1, 2022, the  
23 Agency is authorized to conduct procurement processes to  
24 procure carbon mitigation credits from carbon-free energy  
25 resources, under subsection (d-10) of Section 1-75 of this  
26 Act.

1           (2.5) Beginning with the procurement for the 2017  
2 delivery year, conduct competitive procurement processes  
3 and implement programs to procure renewable energy credits  
4 identified in the long-term renewable resources  
5 procurement plan developed and approved under subsection  
6 (c) of Section 1-75 of this Act and Section 16-111.5 of the  
7 Public Utilities Act.

8           (2.10) Oversee the procurement by electric utilities  
9 that served more than 300,000 customers in this State as  
10 of January 1, 2019 of renewable energy credits from new  
11 renewable energy facilities to be installed, along with  
12 energy storage facilities, at or adjacent to the sites of  
13 electric generating facilities that burned coal as their  
14 primary fuel source as of January 1, 2016 in accordance  
15 with subsection (c-5) of Section 1-75 of this Act.

16           (2.15) Oversee the procurement by electric utilities  
17 of renewable energy credits from newly modernized or  
18 retooled hydropower dams or dams that have been converted  
19 to support hydropower generation.

20           (3) Develop electric generation and co-generation  
21 facilities that use indigenous coal or renewable  
22 resources, or both, financed with bonds issued by the  
23 Illinois Finance Authority.

24           (4) Supply electricity from the Agency's facilities at  
25 cost to one or more of the following: municipal electric  
26 systems, governmental aggregators, or rural electric

1 cooperatives in Illinois.

2 (5) Conduct competitive solicitations to procure  
3 energy storage resources sufficient to achieve, at  
4 minimum, the energy storage standard under Section 1-93 of  
5 this Act.

6 (b) Except as otherwise limited by this Act, the Agency  
7 has all of the powers necessary or convenient to carry out the  
8 purposes and provisions of this Act, including without  
9 limitation, each of the following:

10 (1) To have a corporate seal, and to alter that seal at  
11 pleasure, and to use it by causing it or a facsimile to be  
12 affixed or impressed or reproduced in any other manner.

13 (2) To use the services of the Illinois Finance  
14 Authority necessary to carry out the Agency's purposes.

15 (3) To negotiate and enter into loan agreements and  
16 other agreements with the Illinois Finance Authority.

17 (4) To obtain and employ personnel and hire  
18 consultants that are necessary to fulfill the Agency's  
19 purposes, and to make expenditures for that purpose within  
20 the appropriations for that purpose.

21 (5) To purchase, receive, take by grant, gift, devise,  
22 bequest, or otherwise, lease, or otherwise acquire, own,  
23 hold, improve, employ, use, and otherwise deal in and  
24 with, real or personal property whether tangible or  
25 intangible, or any interest therein, within the State.

26 (6) To acquire real or personal property, whether

1           tangible or intangible, including without limitation  
2           property rights, interests in property, franchises,  
3           obligations, contracts, and debt and equity securities,  
4           and to do so by the exercise of the power of eminent domain  
5           in accordance with Section 1-21; except that any real  
6           property acquired by the exercise of the power of eminent  
7           domain must be located within the State.

8           (7) To sell, convey, lease, exchange, transfer,  
9           abandon, or otherwise dispose of, or mortgage, pledge, or  
10          create a security interest in, any of its assets,  
11          properties, or any interest therein, wherever situated.

12          (8) To purchase, take, receive, subscribe for, or  
13          otherwise acquire, hold, make a tender offer for, vote,  
14          employ, sell, lend, lease, exchange, transfer, or  
15          otherwise dispose of, mortgage, pledge, or grant a  
16          security interest in, use, and otherwise deal in and with,  
17          bonds and other obligations, shares, or other securities  
18          (or interests therein) issued by others, whether engaged  
19          in a similar or different business or activity.

20          (9) To make and execute agreements, contracts, and  
21          other instruments necessary or convenient in the exercise  
22          of the powers and functions of the Agency under this Act,  
23          including contracts with any person, including personal  
24          service contracts, or with any local government, State  
25          agency, or other entity; and all State agencies and all  
26          local governments are authorized to enter into and do all



1 things necessary to perform any such agreement, contract,  
2 or other instrument with the Agency. No such agreement,  
3 contract, or other instrument shall exceed 40 years.

4 (10) To lend money, invest and reinvest its funds in  
5 accordance with the Public Funds Investment Act, and take  
6 and hold real and personal property as security for the  
7 payment of funds loaned or invested.

8 (11) To borrow money at such rate or rates of interest  
9 as the Agency may determine, issue its notes, bonds, or  
10 other obligations to evidence that indebtedness, and  
11 secure any of its obligations by mortgage or pledge of its  
12 real or personal property, machinery, equipment,  
13 structures, fixtures, inventories, revenues, grants, and  
14 other funds as provided or any interest therein, wherever  
15 situated.

16 (12) To enter into agreements with the Illinois  
17 Finance Authority to issue bonds whether or not the income  
18 therefrom is exempt from federal taxation.

19 (13) To procure insurance against any loss in  
20 connection with its properties or operations in such  
21 amount or amounts and from such insurers, including the  
22 federal government, as it may deem necessary or desirable,  
23 and to pay any premiums therefor.

24 (14) To negotiate and enter into agreements with  
25 trustees or receivers appointed by United States  
26 bankruptcy courts or federal district courts or in other

1 proceedings involving adjustment of debts and authorize  
2 proceedings involving adjustment of debts and authorize  
3 legal counsel for the Agency to appear in any such  
4 proceedings.

5 (15) To file a petition under Chapter 9 of Title 11 of  
6 the United States Bankruptcy Code or take other similar  
7 action for the adjustment of its debts.

8 (16) To enter into management agreements for the  
9 operation of any of the property or facilities owned by  
10 the Agency.

11 (17) To enter into an agreement to transfer and to  
12 transfer any land, facilities, fixtures, or equipment of  
13 the Agency to one or more municipal electric systems,  
14 governmental aggregators, or rural electric agencies or  
15 cooperatives, for such consideration and upon such terms  
16 as the Agency may determine to be in the best interest of  
17 the residents of Illinois.

18 (18) To enter upon any lands and within any building  
19 whenever in its judgment it may be necessary for the  
20 purpose of making surveys and examinations to accomplish  
21 any purpose authorized by this Act.

22 (19) To maintain an office or offices at such place or  
23 places in the State as it may determine.

24 (20) To request information, and to make any inquiry,  
25 investigation, survey, or study that the Agency may deem  
26 necessary to enable it effectively to carry out the

1 provisions of this Act.

2 (21) To accept and expend appropriations.

3 (22) To engage in any activity or operation that is  
4 incidental to and in furtherance of efficient operation to  
5 accomplish the Agency's purposes, including hiring  
6 employees that the Director deems essential for the  
7 operations of the Agency.

8 (23) To adopt, revise, amend, and repeal rules with  
9 respect to its operations, properties, and facilities as  
10 may be necessary or convenient to carry out the purposes  
11 of this Act, subject to the provisions of the Illinois  
12 Administrative Procedure Act and Sections 1-22 and 1-35 of  
13 this Act.

14 (24) To establish and collect charges and fees as  
15 described in this Act.

16 (25) To conduct competitive gasification feedstock  
17 procurement processes to procure the feedstocks for the  
18 clean coal SNG brownfield facility in accordance with the  
19 requirements of Section 1-78 of this Act.

20 (26) To review, revise, and approve sourcing  
21 agreements and mediate and resolve disputes between gas  
22 utilities and the clean coal SNG brownfield facility  
23 pursuant to subsection (h-1) of Section 9-220 of the  
24 Public Utilities Act.

25 (27) To request, review and accept proposals, execute  
26 contracts, purchase renewable energy credits and otherwise

1 dedicate funds from the Illinois Power Agency Renewable  
2 Energy Resources Fund to create and carry out the  
3 objectives of the Illinois Solar for All Program in  
4 accordance with Section 1-56 of this Act.

5 (28) To ensure Illinois residents and business benefit  
6 from programs administered by the Agency and are properly  
7 protected from any deceptive or misleading marketing  
8 practices by participants in the Agency's programs and  
9 procurements.

10 (29) To conduct procurement events by which electric  
11 utilities execute contracts to purchase energy storage  
12 resources.

13 (c) In conducting the procurement of electricity or other  
14 products, beginning January 1, 2022, the Agency shall not  
15 procure any products or services from persons or organizations  
16 that are in violation of the Displaced Energy Workers Bill of  
17 Rights, as provided under the Energy Community Reinvestment  
18 Act at the time of the procurement event or fail to comply the  
19 labor standards established in subparagraph (Q) of paragraph  
20 (1) of subsection (c) of Section 1-75.

21 (Source: P.A. 102-662, eff. 9-15-21; 103-380, eff. 1-1-24.)

22 (20 ILCS 3855/1-75)

23 Sec. 1-75. Planning and Procurement Bureau. The Planning  
24 and Procurement Bureau has the following duties and  
25 responsibilities:

1           (a) The Planning and Procurement Bureau shall each year,  
2 beginning in 2008, develop procurement plans and conduct  
3 competitive procurement processes in accordance with the  
4 requirements of Section 16-111.5 of the Public Utilities Act  
5 for the eligible retail customers of electric utilities that  
6 on December 31, 2005 provided electric service to at least  
7 100,000 customers in Illinois. Beginning with the delivery  
8 year commencing on June 1, 2017, the Planning and Procurement  
9 Bureau shall develop plans and processes for the procurement  
10 of zero emission credits from zero emission facilities in  
11 accordance with the requirements of subsection (d-5) of this  
12 Section. Beginning on the effective date of this amendatory  
13 Act of the 102nd General Assembly, the Planning and  
14 Procurement Bureau shall develop plans and processes for the  
15 procurement of carbon mitigation credits from carbon-free  
16 energy resources in accordance with the requirements of  
17 subsection (d-10) of this Section. The Planning and  
18 Procurement Bureau shall also develop procurement plans and  
19 conduct competitive procurement processes in accordance with  
20 the requirements of Section 16-111.5 of the Public Utilities  
21 Act for the eligible retail customers of small  
22 multi-jurisdictional electric utilities that (i) on December  
23 31, 2005 served less than 100,000 customers in Illinois and  
24 (ii) request a procurement plan for their Illinois  
25 jurisdictional load. This Section shall not apply to a small  
26 multi-jurisdictional utility until such time as a small

1 multi-jurisdictional utility requests the Agency to prepare a  
2 procurement plan for their Illinois jurisdictional load. For  
3 the purposes of this Section, the term "eligible retail  
4 customers" has the same definition as found in Section  
5 16-111.5(a) of the Public Utilities Act.

6 Beginning with the plan or plans to be implemented in the  
7 2017 delivery year, the Agency shall no longer include the  
8 procurement of renewable energy resources in the annual  
9 procurement plans required by this subsection (a), except as  
10 provided in subsection (q) of Section 16-111.5 of the Public  
11 Utilities Act, and shall instead develop a long-term renewable  
12 resources procurement plan in accordance with subsection (c)  
13 of this Section and Section 16-111.5 of the Public Utilities  
14 Act.

15 In accordance with subsection (c-5) of this Section, the  
16 Planning and Procurement Bureau shall oversee the procurement  
17 by electric utilities that served more than 300,000 retail  
18 customers in this State as of January 1, 2019 of renewable  
19 energy credits from new utility-scale solar projects to be  
20 installed, along with energy storage facilities, at or  
21 adjacent to the sites of electric generating facilities that,  
22 as of January 1, 2016, burned coal as their primary fuel  
23 source.

24 (1) The Agency shall each year, beginning in 2008, as  
25 needed, issue a request for qualifications for experts or  
26 expert consulting firms to develop the procurement plans

1 in accordance with Section 16-111.5 of the Public  
2 Utilities Act. In order to qualify an expert or expert  
3 consulting firm must have:

4 (A) direct previous experience assembling  
5 large-scale power supply plans or portfolios for  
6 end-use customers;

7 (B) an advanced degree in economics, mathematics,  
8 engineering, risk management, or a related area of  
9 study;

10 (C) 10 years of experience in the electricity  
11 sector, including managing supply risk;

12 (D) expertise in wholesale electricity market  
13 rules, including those established by the Federal  
14 Energy Regulatory Commission and regional transmission  
15 organizations;

16 (E) expertise in credit protocols and familiarity  
17 with contract protocols;

18 (F) adequate resources to perform and fulfill the  
19 required functions and responsibilities; and

20 (G) the absence of a conflict of interest and  
21 inappropriate bias for or against potential bidders or  
22 the affected electric utilities.

23 (2) The Agency shall each year, as needed, issue a  
24 request for qualifications for a procurement administrator  
25 to conduct the competitive procurement processes in  
26 accordance with Section 16-111.5 of the Public Utilities

1 Act. In order to qualify an expert or expert consulting  
2 firm must have:

3 (A) direct previous experience administering a  
4 large-scale competitive procurement process;

5 (B) an advanced degree in economics, mathematics,  
6 engineering, or a related area of study;

7 (C) 10 years of experience in the electricity  
8 sector, including risk management experience;

9 (D) expertise in wholesale electricity market  
10 rules, including those established by the Federal  
11 Energy Regulatory Commission and regional transmission  
12 organizations;

13 (E) expertise in credit and contract protocols;

14 (F) adequate resources to perform and fulfill the  
15 required functions and responsibilities; and

16 (G) the absence of a conflict of interest and  
17 inappropriate bias for or against potential bidders or  
18 the affected electric utilities.

19 (3) The Agency shall provide affected utilities and  
20 other interested parties with the lists of qualified  
21 experts or expert consulting firms identified through the  
22 request for qualifications processes that are under  
23 consideration to develop the procurement plans and to  
24 serve as the procurement administrator. The Agency shall  
25 also provide each qualified expert's or expert consulting  
26 firm's response to the request for qualifications. All



1 information provided under this subparagraph shall also be  
2 provided to the Commission. The Agency may provide by rule  
3 for fees associated with supplying the information to  
4 utilities and other interested parties. These parties  
5 shall, within 5 business days, notify the Agency in  
6 writing if they object to any experts or expert consulting  
7 firms on the lists. Objections shall be based on:

8 (A) failure to satisfy qualification criteria;

9 (B) identification of a conflict of interest; or

10 (C) evidence of inappropriate bias for or against  
11 potential bidders or the affected utilities.

12 The Agency shall remove experts or expert consulting  
13 firms from the lists within 10 days if there is a  
14 reasonable basis for an objection and provide the updated  
15 lists to the affected utilities and other interested  
16 parties. If the Agency fails to remove an expert or expert  
17 consulting firm from a list, an objecting party may seek  
18 review by the Commission within 5 days thereafter by  
19 filing a petition, and the Commission shall render a  
20 ruling on the petition within 10 days. There is no right of  
21 appeal of the Commission's ruling.

22 (4) The Agency shall issue requests for proposals to  
23 the qualified experts or expert consulting firms to  
24 develop a procurement plan for the affected utilities and  
25 to serve as procurement administrator.

26 (5) The Agency shall select an expert or expert

1 consulting firm to develop procurement plans based on the  
2 proposals submitted and shall award contracts of up to 5  
3 years to those selected.

4 (6) The Agency shall select an expert or expert  
5 consulting firm, with approval of the Commission, to serve  
6 as procurement administrator based on the proposals  
7 submitted. If the Commission rejects, within 5 days, the  
8 Agency's selection, the Agency shall submit another  
9 recommendation within 3 days based on the proposals  
10 submitted. The Agency shall award a 5-year contract to the  
11 expert or expert consulting firm so selected with  
12 Commission approval.

13 (b) The experts or expert consulting firms retained by the  
14 Agency shall, as appropriate, prepare procurement plans, and  
15 conduct a competitive procurement process as prescribed in  
16 Section 16-111.5 of the Public Utilities Act, to ensure  
17 adequate, reliable, affordable, efficient, and environmentally  
18 sustainable electric service at the lowest total cost over  
19 time, taking into account any benefits of price stability, for  
20 eligible retail customers of electric utilities that on  
21 December 31, 2005 provided electric service to at least  
22 100,000 customers in the State of Illinois, and for eligible  
23 Illinois retail customers of small multi-jurisdictional  
24 electric utilities that (i) on December 31, 2005 served less  
25 than 100,000 customers in Illinois and (ii) request a  
26 procurement plan for their Illinois jurisdictional load.

1 (c) Renewable portfolio standard.

2 (1) (A) The Agency shall develop a long-term renewable  
3 resources procurement plan that shall include procurement  
4 programs and competitive procurement events necessary to  
5 meet the goals set forth in this subsection (c). The  
6 initial long-term renewable resources procurement plan  
7 shall be released for comment no later than 160 days after  
8 June 1, 2017 (the effective date of Public Act 99-906).  
9 The Agency shall review, and may revise on an expedited  
10 basis, the long-term renewable resources procurement plan  
11 at least every 2 years, which shall be conducted in  
12 conjunction with the procurement plan under Section  
13 16-111.5 of the Public Utilities Act to the extent  
14 practicable to minimize administrative expense. No later  
15 than 120 days after the effective date of this amendatory  
16 Act of the 103rd General Assembly, the Agency shall  
17 release for comment a revision to the long-term renewable  
18 resources procurement plan, updating elements of the most  
19 recently approved plan as needed to comply with this  
20 amendatory Act of the 103rd General Assembly, and any  
21 long-term renewable resources procurement plan update  
22 published by the Agency but not yet approved by the  
23 Illinois Commerce Commission shall be withdrawn. The  
24 long-term renewable resources procurement plans shall be  
25 subject to review and approval by the Commission under  
26 Section 16-111.5 of the Public Utilities Act.

1           (B) Subject to subparagraph (F) of this paragraph (1),  
2           the long-term renewable resources procurement plan shall  
3           attempt to meet the goals for procurement of renewable  
4           energy credits at levels of at least the following overall  
5           percentages: 13% by the 2017 delivery year; increasing by  
6           at least 1.5% each delivery year thereafter to at least  
7           25% by the 2025 delivery year; increasing by at least 3%  
8           each delivery year thereafter to at least 40% by the 2030  
9           delivery year, and continuing at no less than 40% for each  
10          delivery year thereafter. The Agency shall attempt to  
11          procure 50% by delivery year 2040. The Agency shall  
12          determine the annual increase between delivery year 2030  
13          and delivery year 2040, if any, taking into account energy  
14          demand, other energy resources, and other public policy  
15          goals. In the event of a conflict between these goals and  
16          the new wind, new photovoltaic, and hydropower procurement  
17          requirements described in items (i) through (iii) of  
18          subparagraph (C) of this paragraph (1), the long-term plan  
19          shall prioritize compliance with the new wind, new  
20          photovoltaic, and hydropower procurement requirements  
21          described in items (i) through (iii) of subparagraph (C)  
22          of this paragraph (1) over the annual percentage targets  
23          described in this subparagraph (B). The Agency shall not  
24          comply with the annual percentage targets described in  
25          this subparagraph (B) by procuring renewable energy  
26          credits that are unlikely to lead to the development of

1 new renewable resources or new, modernized, or retooled  
2 hydropower facilities.

3 For the delivery year beginning June 1, 2017, the  
4 procurement plan shall attempt to include, subject to the  
5 prioritization outlined in this subparagraph (B),  
6 cost-effective renewable energy resources equal to at  
7 least 13% of each utility's load for eligible retail  
8 customers and 13% of the applicable portion of each  
9 utility's load for retail customers who are not eligible  
10 retail customers, which applicable portion shall equal 50%  
11 of the utility's load for retail customers who are not  
12 eligible retail customers on February 28, 2017.

13 For the delivery year beginning June 1, 2018, the  
14 procurement plan shall attempt to include, subject to the  
15 prioritization outlined in this subparagraph (B),  
16 cost-effective renewable energy resources equal to at  
17 least 14.5% of each utility's load for eligible retail  
18 customers and 14.5% of the applicable portion of each  
19 utility's load for retail customers who are not eligible  
20 retail customers, which applicable portion shall equal 75%  
21 of the utility's load for retail customers who are not  
22 eligible retail customers on February 28, 2017.

23 For the delivery year beginning June 1, 2019, and for  
24 each year thereafter, the procurement plans shall attempt  
25 to include, subject to the prioritization outlined in this  
26 subparagraph (B), cost-effective renewable energy

1 resources equal to a minimum percentage of each utility's  
2 load for all retail customers as follows: 16% by June 1,  
3 2019; increasing by 1.5% each year thereafter to 25% by  
4 June 1, 2025; and 25% by June 1, 2026; increasing by at  
5 least 3% each delivery year thereafter to at least 40% by  
6 the 2030 delivery year, and continuing at no less than 40%  
7 for each delivery year thereafter. The Agency shall  
8 attempt to procure 50% by delivery year 2040. The Agency  
9 shall determine the annual increase between delivery year  
10 2030 and delivery year 2040, if any, taking into account  
11 energy demand, other energy resources, and other public  
12 policy goals.

13 For each delivery year, the Agency shall first  
14 recognize each utility's obligations for that delivery  
15 year under existing contracts. Any renewable energy  
16 credits under existing contracts, including renewable  
17 energy credits as part of renewable energy resources,  
18 shall be used to meet the goals set forth in this  
19 subsection (c) for the delivery year.

20 (C) The long-term renewable resources procurement plan  
21 described in subparagraph (A) of this paragraph (1) shall  
22 include the procurement of renewable energy credits from  
23 new projects pursuant to the following terms:

24 (i) At least 10,000,000 renewable energy credits  
25 delivered annually by the end of the 2021 delivery  
26 year, and increasing ratably to reach 45,000,000

1 renewable energy credits delivered annually from new  
2 wind and solar projects by the end of delivery year  
3 2030 such that the goals in subparagraph (B) of this  
4 paragraph (1) are met entirely by procurements of  
5 renewable energy credits from new wind and  
6 photovoltaic projects. Of that amount, to the extent  
7 possible, the Agency shall procure 45% from wind and  
8 hydropower projects and 55% from photovoltaic  
9 projects. Of the amount to be procured from  
10 photovoltaic projects, the Agency shall procure: at  
11 least 50% from solar photovoltaic projects using the  
12 program outlined in subparagraph (K) of this paragraph  
13 (1) from distributed renewable energy generation  
14 devices or community renewable generation projects; at  
15 least 47% from utility-scale solar projects; at least  
16 3% from brownfield site photovoltaic projects that are  
17 not community renewable generation projects.

18 In developing the long-term renewable resources  
19 procurement plan, the Agency shall consider other  
20 approaches, in addition to competitive procurements,  
21 that can be used to procure renewable energy credits  
22 from brownfield site photovoltaic projects and thereby  
23 help return blighted or contaminated land to  
24 productive use while enhancing public health and the  
25 well-being of Illinois residents, including those in  
26 environmental justice communities, as defined using

1 existing methodologies and findings used by the Agency  
2 and its Administrator in its Illinois Solar for All  
3 Program. The Agency shall also consider other  
4 approaches, in addition to competitive procurements,  
5 to procure renewable energy credits from new and  
6 existing hydropower facilities to support the  
7 development and maintenance of these facilities. The  
8 Agency shall explore options to convert existing dams  
9 but shall not consider approaches to develop new dams  
10 where they do not already exist.

11 (ii) In any given delivery year, if forecasted  
12 expenses are less than the maximum budget available  
13 under subparagraph (E) of this paragraph (1), the  
14 Agency shall continue to procure new renewable energy  
15 credits until that budget is exhausted in the manner  
16 outlined in item (i) of this subparagraph (C).

17 (iii) For purposes of this Section:

18 "New wind projects" means wind renewable energy  
19 facilities that are energized after June 1, 2017 for  
20 the delivery year commencing June 1, 2017.

21 "New photovoltaic projects" means photovoltaic  
22 renewable energy facilities that are energized after  
23 June 1, 2017. Photovoltaic projects developed under  
24 Section 1-56 of this Act shall not apply towards the  
25 new photovoltaic project requirements in this  
26 subparagraph (C).



1           For purposes of calculating whether the Agency has  
2           procured enough new wind and solar renewable energy  
3           credits required by this subparagraph (C), renewable  
4           energy facilities that have a multi-year renewable  
5           energy credit delivery contract with the utility  
6           through at least delivery year 2030 shall be  
7           considered new, however no renewable energy credits  
8           from contracts entered into before June 1, 2021 shall  
9           be used to calculate whether the Agency has procured  
10          the correct proportion of new wind and new solar  
11          contracts described in this subparagraph (C) for  
12          delivery year 2021 and thereafter.

13          (D) Renewable energy credits shall be cost effective.  
14          For purposes of this subsection (c), "cost effective"  
15          means that the costs of procuring renewable energy  
16          resources do not cause the limit stated in subparagraph  
17          (E) of this paragraph (1) to be exceeded and, for  
18          renewable energy credits procured through a competitive  
19          procurement event, do not exceed benchmarks based on  
20          market prices for like products in the region. For  
21          purposes of this subsection (c), "like products" means  
22          contracts for renewable energy credits from the same or  
23          substantially similar technology, same or substantially  
24          similar vintage (new or existing), the same or  
25          substantially similar quantity, and the same or  
26          substantially similar contract length and structure.

1        Benchmarks shall reflect development, financing, or  
2        related costs resulting from requirements imposed through  
3        other provisions of State law, including, but not limited  
4        to, requirements in subparagraphs (P) and (Q) of this  
5        paragraph (1) and the Renewable Energy Facilities  
6        Agricultural Impact Mitigation Act. Confidential  
7        benchmarks shall be developed by the procurement  
8        administrator, in consultation with the Commission staff,  
9        Agency staff, and the procurement monitor and shall be  
10       subject to Commission review and approval. If price  
11       benchmarks for like products in the region are not  
12       available, the procurement administrator shall establish  
13       price benchmarks based on publicly available data on  
14       regional technology costs and expected current and future  
15       regional energy prices. The benchmarks in this Section  
16       shall not be used to curtail or otherwise reduce  
17       contractual obligations entered into by or through the  
18       Agency prior to June 1, 2017 (the effective date of Public  
19       Act 99-906).

20        (E) For purposes of this subsection (c), the required  
21        procurement of cost-effective renewable energy resources  
22        for a particular year commencing prior to June 1, 2017  
23        shall be measured as a percentage of the actual amount of  
24        electricity (megawatt-hours) supplied by the electric  
25        utility to eligible retail customers in the delivery year  
26        ending immediately prior to the procurement, and, for

1 delivery years commencing on and after June 1, 2017, the  
2 required procurement of cost-effective renewable energy  
3 resources for a particular year shall be measured as a  
4 percentage of the actual amount of electricity  
5 (megawatt-hours) delivered by the electric utility in the  
6 delivery year ending immediately prior to the procurement,  
7 to all retail customers in its service territory. For  
8 purposes of this subsection (c), the amount paid per  
9 kilowatthour means the total amount paid for electric  
10 service expressed on a per kilowatthour basis. For  
11 purposes of this subsection (c), the total amount paid for  
12 electric service includes without limitation amounts paid  
13 for supply, transmission, capacity, distribution,  
14 surcharges, and add-on taxes.

15 Notwithstanding the requirements of this subsection  
16 (c), the total of renewable energy resources procured  
17 under the procurement plan for any single year shall be  
18 subject to the limitations of this subparagraph (E). Such  
19 procurement shall be reduced for all retail customers  
20 based on the amount necessary to limit the annual  
21 estimated average net increase due to the costs of these  
22 resources included in the amounts paid by eligible retail  
23 customers in connection with electric service to no more  
24 than 4.25% of the amount paid per kilowatthour by those  
25 customers during the year ending May 31, 2009. To arrive  
26 at a maximum dollar amount of renewable energy resources

1 to be procured for the particular delivery year, the  
2 resulting per kilowatthour amount shall be applied to the  
3 actual amount of kilowatthours of electricity delivered,  
4 or applicable portion of such amount as specified in  
5 paragraph (1) of this subsection (c), as applicable, by  
6 the electric utility in the delivery year immediately  
7 prior to the procurement to all retail customers in its  
8 service territory. The calculations required by this  
9 subparagraph (E) shall be made only once for each delivery  
10 year at the time that the renewable energy resources are  
11 procured. Once the determination as to the amount of  
12 renewable energy resources to procure is made based on the  
13 calculations set forth in this subparagraph (E) and the  
14 contracts procuring those amounts are executed, no  
15 subsequent rate impact determinations shall be made and no  
16 adjustments to those contract amounts shall be allowed.  
17 All costs incurred under such contracts shall be fully  
18 recoverable by the electric utility as provided in this  
19 Section.

20 (F) If the limitation on the amount of renewable  
21 energy resources procured in subparagraph (E) of this  
22 paragraph (1) prevents the Agency from meeting all of the  
23 goals in this subsection (c), the Agency's long-term plan  
24 shall prioritize compliance with the requirements of this  
25 subsection (c) regarding renewable energy credits in the  
26 following order:

1 (i) renewable energy credits under existing  
2 contractual obligations as of June 1, 2021;

3 (i-5) funding for the Illinois Solar for All  
4 Program, as described in subparagraph (O) of this  
5 paragraph (1);

6 (ii) renewable energy credits necessary to comply  
7 with the new wind and new photovoltaic procurement  
8 requirements described in items (i) through (iii) of  
9 subparagraph (C) of this paragraph (1); and

10 (iii) renewable energy credits necessary to meet  
11 the remaining requirements of this subsection (c).

12 (G) The following provisions shall apply to the  
13 Agency's procurement of renewable energy credits under  
14 this subsection (c):

15 (i) Notwithstanding whether a long-term renewable  
16 resources procurement plan has been approved, the  
17 Agency shall conduct an initial forward procurement  
18 for renewable energy credits from new utility-scale  
19 wind projects within 160 days after June 1, 2017 (the  
20 effective date of Public Act 99-906). For the purposes  
21 of this initial forward procurement, the Agency shall  
22 solicit 15-year contracts for delivery of 1,000,000  
23 renewable energy credits delivered annually from new  
24 utility-scale wind projects to begin delivery on June  
25 1, 2019, if available, but not later than June 1, 2021,  
26 unless the project has delays in the establishment of

1 an operating interconnection with the applicable  
2 transmission or distribution system as a result of the  
3 actions or inactions of the transmission or  
4 distribution provider, or other causes for force  
5 majeure as outlined in the procurement contract, in  
6 which case, not later than June 1, 2022. Payments to  
7 suppliers of renewable energy credits shall commence  
8 upon delivery. Renewable energy credits procured under  
9 this initial procurement shall be included in the  
10 Agency's long-term plan and shall apply to all  
11 renewable energy goals in this subsection (c).

12 (ii) Notwithstanding whether a long-term renewable  
13 resources procurement plan has been approved, the  
14 Agency shall conduct an initial forward procurement  
15 for renewable energy credits from new utility-scale  
16 solar projects and brownfield site photovoltaic  
17 projects within one year after June 1, 2017 (the  
18 effective date of Public Act 99-906). For the purposes  
19 of this initial forward procurement, the Agency shall  
20 solicit 15-year contracts for delivery of 1,000,000  
21 renewable energy credits delivered annually from new  
22 utility-scale solar projects and brownfield site  
23 photovoltaic projects to begin delivery on June 1,  
24 2019, if available, but not later than June 1, 2021,  
25 unless the project has delays in the establishment of  
26 an operating interconnection with the applicable

1 transmission or distribution system as a result of the  
2 actions or inactions of the transmission or  
3 distribution provider, or other causes for force  
4 majeure as outlined in the procurement contract, in  
5 which case, not later than June 1, 2022. The Agency may  
6 structure this initial procurement in one or more  
7 discrete procurement events. Payments to suppliers of  
8 renewable energy credits shall commence upon delivery.  
9 Renewable energy credits procured under this initial  
10 procurement shall be included in the Agency's  
11 long-term plan and shall apply to all renewable energy  
12 goals in this subsection (c).

13 (iii) Notwithstanding whether the Commission has  
14 approved the periodic long-term renewable resources  
15 procurement plan revision described in Section  
16 16-111.5 of the Public Utilities Act, the Agency shall  
17 conduct at least one subsequent forward procurement  
18 for renewable energy credits from new utility-scale  
19 wind projects, new utility-scale solar projects, and  
20 new brownfield site photovoltaic projects within 240  
21 days after the effective date of this amendatory Act  
22 of the 102nd General Assembly in quantities necessary  
23 to meet the requirements of subparagraph (C) of this  
24 paragraph (1) through the delivery year beginning June  
25 1, 2021.

26 (iv) Notwithstanding whether the Commission has

1 approved the periodic long-term renewable resources  
2 procurement plan revision described in Section  
3 16-111.5 of the Public Utilities Act, the Agency shall  
4 open capacity for each category in the Adjustable  
5 Block program within 90 days after the effective date  
6 of this amendatory Act of the 102nd General Assembly  
7 manner:

8 (1) The Agency shall open the first block of  
9 annual capacity for the category described in item  
10 (i) of subparagraph (K) of this paragraph (1). The  
11 first block of annual capacity for item (i) shall  
12 be for at least 75 megawatts of total nameplate  
13 capacity. The price of the renewable energy credit  
14 for this block of capacity shall be 4% less than  
15 the price of the last open block in this category.  
16 Projects on a waitlist shall be awarded contracts  
17 first in the order in which they appear on the  
18 waitlist. Notwithstanding anything to the  
19 contrary, for those renewable energy credits that  
20 qualify and are procured under this subitem (1) of  
21 this item (iv), the renewable energy credit  
22 delivery contract value shall be paid in full,  
23 based on the estimated generation during the first  
24 15 years of operation, by the contracting  
25 utilities at the time that the facility producing  
26 the renewable energy credits is interconnected at



1 the distribution system level of the utility and  
2 verified as energized and in compliance by the  
3 Program Administrator. The electric utility shall  
4 receive and retire all renewable energy credits  
5 generated by the project for the first 15 years of  
6 operation. Renewable energy credits generated by  
7 the project thereafter shall not be transferred  
8 under the renewable energy credit delivery  
9 contract with the counterparty electric utility.

10 (2) The Agency shall open the first block of  
11 annual capacity for the category described in item  
12 (ii) of subparagraph (K) of this paragraph (1).  
13 The first block of annual capacity for item (ii)  
14 shall be for at least 75 megawatts of total  
15 nameplate capacity.

16 (A) The price of the renewable energy  
17 credit for any project on a waitlist for this  
18 category before the opening of this block  
19 shall be 4% less than the price of the last  
20 open block in this category. Projects on the  
21 waitlist shall be awarded contracts first in  
22 the order in which they appear on the  
23 waitlist. Any projects that are less than or  
24 equal to 25 kilowatts in size on the waitlist  
25 for this capacity shall be moved to the  
26 waitlist for paragraph (1) of this item (iv).

1           Notwithstanding anything to the contrary,  
2           projects that were on the waitlist prior to  
3           opening of this block shall not be required to  
4           be in compliance with the requirements of  
5           subparagraph (Q) of this paragraph (1) of this  
6           subsection (c). Notwithstanding anything to  
7           the contrary, for those renewable energy  
8           credits procured from projects that were on  
9           the waitlist for this category before the  
10          opening of this block 20% of the renewable  
11          energy credit delivery contract value, based  
12          on the estimated generation during the first  
13          15 years of operation, shall be paid by the  
14          contracting utilities at the time that the  
15          facility producing the renewable energy  
16          credits is interconnected at the distribution  
17          system level of the utility and verified as  
18          energized by the Program Administrator. The  
19          remaining portion shall be paid ratably over  
20          the subsequent 4-year period. The electric  
21          utility shall receive and retire all renewable  
22          energy credits generated by the project during  
23          the first 15 years of operation. Renewable  
24          energy credits generated by the project  
25          thereafter shall not be transferred under the  
26          renewable energy credit delivery contract with

1 the counterparty electric utility.

2 (B) The price of renewable energy credits  
3 for any project not on the waitlist for this  
4 category before the opening of the block shall  
5 be determined and published by the Agency.  
6 Projects not on a waitlist as of the opening  
7 of this block shall be subject to the  
8 requirements of subparagraph (Q) of this  
9 paragraph (1), as applicable. Projects not on  
10 a waitlist as of the opening of this block  
11 shall be subject to the contract provisions  
12 outlined in item (iii) of subparagraph (L) of  
13 this paragraph (1). The Agency shall strive to  
14 publish updated prices and an updated  
15 renewable energy credit delivery contract as  
16 quickly as possible.

17 (3) For opening the first 2 blocks of annual  
18 capacity for projects participating in item (iii)  
19 of subparagraph (K) of paragraph (1) of subsection  
20 (c), projects shall be selected exclusively from  
21 those projects on the ordinal waitlists of  
22 community renewable generation projects  
23 established by the Agency based on the status of  
24 those ordinal waitlists as of December 31, 2020,  
25 and only those projects previously determined to  
26 be eligible for the Agency's April 2019 community

1 solar project selection process.

2 The first 2 blocks of annual capacity for item  
3 (iii) shall be for 250 megawatts of total  
4 nameplate capacity, with both blocks opening  
5 simultaneously under the schedule outlined in the  
6 paragraphs below. Projects shall be selected as  
7 follows:

8 (A) The geographic balance of selected  
9 projects shall follow the Group classification  
10 found in the Agency's Revised Long-Term  
11 Renewable Resources Procurement Plan, with 70%  
12 of capacity allocated to projects on the Group  
13 B waitlist and 30% of capacity allocated to  
14 projects on the Group A waitlist.

15 (B) Contract awards for waitlisted  
16 projects shall be allocated proportionate to  
17 the total nameplate capacity amount across  
18 both ordinal waitlists associated with that  
19 applicant firm or its affiliates, subject to  
20 the following conditions.

21 (i) Each applicant firm having a  
22 waitlisted project eligible for selection  
23 shall receive no less than 500 kilowatts  
24 in awarded capacity across all groups, and  
25 no approved vendor may receive more than  
26 20% of each Group's waitlist allocation.

1           (ii) Each applicant firm, upon  
2 receiving an award of program capacity  
3 proportionate to its waitlisted capacity,  
4 may then determine which waitlisted  
5 projects it chooses to be selected for a  
6 contract award up to that capacity amount.

7           (iii) Assuming all other program  
8 requirements are met, applicant firms may  
9 adjust the nameplate capacity of applicant  
10 projects without losing waitlist  
11 eligibility, so long as no project is  
12 greater than 2,000 kilowatts in size.

13           (iv) Assuming all other program  
14 requirements are met, applicant firms may  
15 adjust the expected production associated  
16 with applicant projects, subject to  
17 verification by the Program Administrator.

18           (C) After a review of affiliate  
19 information and the current ordinal waitlists,  
20 the Agency shall announce the nameplate  
21 capacity award amounts associated with  
22 applicant firms no later than 90 days after  
23 the effective date of this amendatory Act of  
24 the 102nd General Assembly.

25           (D) Applicant firms shall submit their  
26 portfolio of projects used to satisfy those

1 contract awards no less than 90 days after the  
2 Agency's announcement. The total nameplate  
3 capacity of all projects used to satisfy that  
4 portfolio shall be no greater than the  
5 Agency's nameplate capacity award amount  
6 associated with that applicant firm. An  
7 applicant firm may decline, in whole or in  
8 part, its nameplate capacity award without  
9 penalty, with such unmet capacity rolled over  
10 to the next block opening for project  
11 selection under item (iii) of subparagraph (K)  
12 of this subsection (c). Any projects not  
13 included in an applicant firm's portfolio may  
14 reapply without prejudice upon the next block  
15 reopening for project selection under item  
16 (iii) of subparagraph (K) of this subsection  
17 (c).

18 (E) The renewable energy credit delivery  
19 contract shall be subject to the contract and  
20 payment terms outlined in item (iv) of  
21 subparagraph (L) of this subsection (c).  
22 Contract instruments used for this  
23 subparagraph shall contain the following  
24 terms:

25 (i) Renewable energy credit prices  
26 shall be fixed, without further adjustment

1 under any other provision of this Act or  
2 for any other reason, at 10% lower than  
3 prices applicable to the last open block  
4 for this category, inclusive of any adders  
5 available for achieving a minimum of 50%  
6 of subscribers to the project's nameplate  
7 capacity being residential or small  
8 commercial customers with subscriptions of  
9 below 25 kilowatts in size;

10 (ii) A requirement that a minimum of  
11 50% of subscribers to the project's  
12 nameplate capacity be residential or small  
13 commercial customers with subscriptions of  
14 below 25 kilowatts in size;

15 (iii) Permission for the ability of a  
16 contract holder to substitute projects  
17 with other waitlisted projects without  
18 penalty should a project receive a  
19 non-binding estimate of costs to construct  
20 the interconnection facilities and any  
21 required distribution upgrades associated  
22 with that project of greater than 30 cents  
23 per watt AC of that project's nameplate  
24 capacity. In developing the applicable  
25 contract instrument, the Agency may  
26 consider whether other circumstances

1 outside of the control of the applicant  
2 firm should also warrant project  
3 substitution rights.

4 The Agency shall publish a finalized  
5 updated renewable energy credit delivery  
6 contract developed consistent with these terms  
7 and conditions no less than 30 days before  
8 applicant firms must submit their portfolio of  
9 projects pursuant to item (D).

10 (F) To be eligible for an award, the  
11 applicant firm shall certify that not less  
12 than prevailing wage, as determined pursuant  
13 to the Illinois Prevailing Wage Act, was or  
14 will be paid to employees who are engaged in  
15 construction activities associated with a  
16 selected project.

17 (4) The Agency shall open the first block of  
18 annual capacity for the category described in item  
19 (iv) of subparagraph (K) of this paragraph (1).  
20 The first block of annual capacity for item (iv)  
21 shall be for at least 50 megawatts of total  
22 nameplate capacity. Renewable energy credit prices  
23 shall be fixed, without further adjustment under  
24 any other provision of this Act or for any other  
25 reason, at the price in the last open block in the  
26 category described in item (ii) of subparagraph



1 (K) of this paragraph (1). Pricing for future  
2 blocks of annual capacity for this category may be  
3 adjusted in the Agency's second revision to its  
4 Long-Term Renewable Resources Procurement Plan.  
5 Projects in this category shall be subject to the  
6 contract terms outlined in item (iv) of  
7 subparagraph (L) of this paragraph (1).

8 (5) The Agency shall open the equivalent of 2  
9 years of annual capacity for the category  
10 described in item (v) of subparagraph (K) of this  
11 paragraph (1). The first block of annual capacity  
12 for item (v) shall be for at least 10 megawatts of  
13 total nameplate capacity. Notwithstanding the  
14 provisions of item (v) of subparagraph (K) of this  
15 paragraph (1), for the purpose of this initial  
16 block, the agency shall accept new project  
17 applications intended to increase the diversity of  
18 areas hosting community solar projects, the  
19 business models of projects, and the size of  
20 projects, as described by the Agency in its  
21 long-term renewable resources procurement plan  
22 that is approved as of the effective date of this  
23 amendatory Act of the 102nd General Assembly.  
24 Projects in this category shall be subject to the  
25 contract terms outlined in item (iii) of  
26 subsection (L) of this paragraph (1).

1           (6) The Agency shall open the first blocks of  
2           annual capacity for the category described in item  
3           (vi) of subparagraph (K) of this paragraph (1),  
4           with allocations of capacity within the block  
5           generally matching the historical share of block  
6           capacity allocated between the category described  
7           in items (i) and (ii) of subparagraph (K) of this  
8           paragraph (1). The first two blocks of annual  
9           capacity for item (vi) shall be for at least 75  
10          megawatts of total nameplate capacity. The price  
11          of renewable energy credits for the blocks of  
12          capacity shall be 4% less than the price of the  
13          last open blocks in the categories described in  
14          items (i) and (ii) of subparagraph (K) of this  
15          paragraph (1). Pricing for future blocks of annual  
16          capacity for this category may be adjusted in the  
17          Agency's second revision to its Long-Term  
18          Renewable Resources Procurement Plan. Projects in  
19          this category shall be subject to the applicable  
20          contract terms outlined in items (ii) and (iii) of  
21          subparagraph (L) of this paragraph (1).

22          (v) Upon the effective date of this amendatory Act  
23          of the 102nd General Assembly, for all competitive  
24          procurements and any procurements of renewable energy  
25          credit from new utility-scale wind and new  
26          utility-scale photovoltaic projects, the Agency shall

1 procure indexed renewable energy credits and direct  
2 respondents to offer a strike price.

3 (1) The purchase price of the indexed  
4 renewable energy credit payment shall be  
5 calculated for each settlement period. That  
6 payment, for any settlement period, shall be equal  
7 to the difference resulting from subtracting the  
8 strike price from the index price for that  
9 settlement period. If this difference results in a  
10 negative number, the indexed REC counterparty  
11 shall owe the seller the absolute value multiplied  
12 by the quantity of energy produced in the relevant  
13 settlement period. If this difference results in a  
14 positive number, the seller shall owe the indexed  
15 REC counterparty this amount multiplied by the  
16 quantity of energy produced in the relevant  
17 settlement period.

18 (2) Parties shall cash settle every month,  
19 summing up all settlements (both positive and  
20 negative, if applicable) for the prior month.

21 (3) To ensure funding in the annual budget  
22 established under subparagraph (E) for indexed  
23 renewable energy credit procurements for each year  
24 of the term of such contracts, which must have a  
25 minimum tenure of 20 calendar years, the  
26 procurement administrator, Agency, Commission

1 staff, and procurement monitor shall quantify the  
2 annual cost of the contract by utilizing an  
3 industry-standard, third-party forward price curve  
4 for energy at the appropriate hub or load zone,  
5 including the estimated magnitude and timing of  
6 the price effects related to federal carbon  
7 controls. Each forward price curve shall contain a  
8 specific value of the forecasted market price of  
9 electricity for each annual delivery year of the  
10 contract. For procurement planning purposes, the  
11 impact on the annual budget for the cost of  
12 indexed renewable energy credits for each delivery  
13 year shall be determined as the expected annual  
14 contract expenditure for that year, equaling the  
15 difference between (i) the sum across all relevant  
16 contracts of the applicable strike price  
17 multiplied by contract quantity and (ii) the sum  
18 across all relevant contracts of the forward price  
19 curve for the applicable load zone for that year  
20 multiplied by contract quantity. The contracting  
21 utility shall not assume an obligation in excess  
22 of the estimated annual cost of the contracts for  
23 indexed renewable energy credits. Forward curves  
24 shall be revised on an annual basis as updated  
25 forward price curves are released and filed with  
26 the Commission in the proceeding approving the

1 Agency's most recent long-term renewable resources  
2 procurement plan. If the expected contract spend  
3 is higher or lower than the total quantity of  
4 contracts multiplied by the forward price curve  
5 value for that year, the forward price curve shall  
6 be updated by the procurement administrator, in  
7 consultation with the Agency, Commission staff,  
8 and procurement monitors, using then-currently  
9 available price forecast data and additional  
10 budget dollars shall be obligated or reobligated  
11 as appropriate.

12 (4) To ensure that indexed renewable energy  
13 credit prices remain predictable and affordable,  
14 the Agency may consider the institution of a price  
15 collar on REC prices paid under indexed renewable  
16 energy credit procurements establishing floor and  
17 ceiling REC prices applicable to indexed REC  
18 contract prices. Any price collars applicable to  
19 indexed REC procurements shall be proposed by the  
20 Agency through its long-term renewable resources  
21 procurement plan.

22 (vi) All procurements under this subparagraph (G),  
23 including the procurement of renewable energy credits  
24 from hydropower facilities, shall comply with the  
25 geographic requirements in subparagraph (I) of this  
26 paragraph (1) and shall follow the procurement

1 processes and procedures described in this Section and  
2 Section 16-111.5 of the Public Utilities Act to the  
3 extent practicable, and these processes and procedures  
4 may be expedited to accommodate the schedule  
5 established by this subparagraph (G).

6 (vii) On and after the effective date of this  
7 amendatory Act of the 103rd General Assembly, for all  
8 procurements of renewable energy credits from  
9 hydropower facilities, the Agency shall establish  
10 contract terms designed to optimize existing  
11 hydropower facilities through modernization or  
12 retooling and establish new hydropower facilities at  
13 existing dams. Procurements made under this item (vii)  
14 shall prioritize projects located in designated  
15 environmental justice communities, as defined in  
16 subsection (b) of Section 1-56 of this Act, or in  
17 projects located in units of local government with  
18 median incomes that do not exceed 82% of the median  
19 income of the State.

20 (H) The procurement of renewable energy resources for  
21 a given delivery year shall be reduced as described in  
22 this subparagraph (H) if an alternative retail electric  
23 supplier meets the requirements described in this  
24 subparagraph (H).

25 (i) Within 45 days after June 1, 2017 (the  
26 effective date of Public Act 99-906), an alternative

1 retail electric supplier or its successor shall submit  
2 an informational filing to the Illinois Commerce  
3 Commission certifying that, as of December 31, 2015,  
4 the alternative retail electric supplier owned one or  
5 more electric generating facilities that generates  
6 renewable energy resources as defined in Section 1-10  
7 of this Act, provided that such facilities are not  
8 powered by wind or photovoltaics, and the facilities  
9 generate one renewable energy credit for each  
10 megawatthour of energy produced from the facility.

11 The informational filing shall identify each  
12 facility that was eligible to satisfy the alternative  
13 retail electric supplier's obligations under Section  
14 16-115D of the Public Utilities Act as described in  
15 this item (i).

16 (ii) For a given delivery year, the alternative  
17 retail electric supplier may elect to supply its  
18 retail customers with renewable energy credits from  
19 the facility or facilities described in item (i) of  
20 this subparagraph (H) that continue to be owned by the  
21 alternative retail electric supplier.

22 (iii) The alternative retail electric supplier  
23 shall notify the Agency and the applicable utility, no  
24 later than February 28 of the year preceding the  
25 applicable delivery year or 15 days after June 1, 2017  
26 (the effective date of Public Act 99-906), whichever

1 is later, of its election under item (ii) of this  
2 subparagraph (H) to supply renewable energy credits to  
3 retail customers of the utility. Such election shall  
4 identify the amount of renewable energy credits to be  
5 supplied by the alternative retail electric supplier  
6 to the utility's retail customers and the source of  
7 the renewable energy credits identified in the  
8 informational filing as described in item (i) of this  
9 subparagraph (H), subject to the following  
10 limitations:

11 For the delivery year beginning June 1, 2018,  
12 the maximum amount of renewable energy credits to  
13 be supplied by an alternative retail electric  
14 supplier under this subparagraph (H) shall be 68%  
15 multiplied by 25% multiplied by 14.5% multiplied  
16 by the amount of metered electricity  
17 (megawatt-hours) delivered by the alternative  
18 retail electric supplier to Illinois retail  
19 customers during the delivery year ending May 31,  
20 2016.

21 For delivery years beginning June 1, 2019 and  
22 each year thereafter, the maximum amount of  
23 renewable energy credits to be supplied by an  
24 alternative retail electric supplier under this  
25 subparagraph (H) shall be 68% multiplied by 50%  
26 multiplied by 16% multiplied by the amount of



1 metered electricity (megawatt-hours) delivered by  
2 the alternative retail electric supplier to  
3 Illinois retail customers during the delivery year  
4 ending May 31, 2016, provided that the 16% value  
5 shall increase by 1.5% each delivery year  
6 thereafter to 25% by the delivery year beginning  
7 June 1, 2025, and thereafter the 25% value shall  
8 apply to each delivery year.

9 For each delivery year, the total amount of  
10 renewable energy credits supplied by all alternative  
11 retail electric suppliers under this subparagraph (H)  
12 shall not exceed 9% of the Illinois target renewable  
13 energy credit quantity. The Illinois target renewable  
14 energy credit quantity for the delivery year beginning  
15 June 1, 2018 is 14.5% multiplied by the total amount of  
16 metered electricity (megawatt-hours) delivered in the  
17 delivery year immediately preceding that delivery  
18 year, provided that the 14.5% shall increase by 1.5%  
19 each delivery year thereafter to 25% by the delivery  
20 year beginning June 1, 2025, and thereafter the 25%  
21 value shall apply to each delivery year.

22 If the requirements set forth in items (i) through  
23 (iii) of this subparagraph (H) are met, the charges  
24 that would otherwise be applicable to the retail  
25 customers of the alternative retail electric supplier  
26 under paragraph (6) of this subsection (c) for the

1 applicable delivery year shall be reduced by the ratio  
2 of the quantity of renewable energy credits supplied  
3 by the alternative retail electric supplier compared  
4 to that supplier's target renewable energy credit  
5 quantity. The supplier's target renewable energy  
6 credit quantity for the delivery year beginning June  
7 1, 2018 is 14.5% multiplied by the total amount of  
8 metered electricity (megawatt-hours) delivered by the  
9 alternative retail supplier in that delivery year,  
10 provided that the 14.5% shall increase by 1.5% each  
11 delivery year thereafter to 25% by the delivery year  
12 beginning June 1, 2025, and thereafter the 25% value  
13 shall apply to each delivery year.

14 On or before April 1 of each year, the Agency shall  
15 annually publish a report on its website that  
16 identifies the aggregate amount of renewable energy  
17 credits supplied by alternative retail electric  
18 suppliers under this subparagraph (H).

19 (I) The Agency shall design its long-term renewable  
20 energy procurement plan to maximize the State's interest  
21 in the health, safety, and welfare of its residents,  
22 including but not limited to minimizing sulfur dioxide,  
23 nitrogen oxide, particulate matter and other pollution  
24 that adversely affects public health in this State,  
25 increasing fuel and resource diversity in this State,  
26 enhancing the reliability and resiliency of the

1 electricity distribution system in this State, meeting  
2 goals to limit carbon dioxide emissions under federal or  
3 State law, and contributing to a cleaner and healthier  
4 environment for the citizens of this State. In order to  
5 further these legislative purposes, renewable energy  
6 credits shall be eligible to be counted toward the  
7 renewable energy requirements of this subsection (c) if  
8 they are generated from facilities located in this State.  
9 The Agency may qualify renewable energy credits from  
10 facilities located in states adjacent to Illinois or  
11 renewable energy credits associated with the electricity  
12 generated by a utility-scale wind energy facility or  
13 utility-scale photovoltaic facility and transmitted by a  
14 qualifying direct current project described in subsection  
15 (b-5) of Section 8-406 of the Public Utilities Act to a  
16 delivery point on the electric transmission grid located  
17 in this State or a state adjacent to Illinois, if the  
18 generator demonstrates and the Agency determines that the  
19 operation of such facility or facilities will help promote  
20 the State's interest in the health, safety, and welfare of  
21 its residents based on the public interest criteria  
22 described above. For the purposes of this Section,  
23 renewable resources that are delivered via a high voltage  
24 direct current converter station located in Illinois shall  
25 be deemed generated in Illinois at the time and location  
26 the energy is converted to alternating current by the high

1 voltage direct current converter station if the high  
2 voltage direct current transmission line: (i) after the  
3 effective date of this amendatory Act of the 102nd General  
4 Assembly, was constructed with a project labor agreement;  
5 (ii) is capable of transmitting electricity at 525kv;  
6 (iii) has an Illinois converter station located and  
7 interconnected in the region of the PJM Interconnection,  
8 LLC; (iv) does not operate as a public utility; and (v) if  
9 the high voltage direct current transmission line was  
10 energized after June 1, 2023. To ensure that the public  
11 interest criteria are applied to the procurement and given  
12 full effect, the Agency's long-term procurement plan shall  
13 describe in detail how each public interest factor shall  
14 be considered and weighted for facilities located in  
15 states adjacent to Illinois.

16 (J) In order to promote the competitive development of  
17 renewable energy resources in furtherance of the State's  
18 interest in the health, safety, and welfare of its  
19 residents, renewable energy credits shall not be eligible  
20 to be counted toward the renewable energy requirements of  
21 this subsection (c) if they are sourced from a generating  
22 unit whose costs were being recovered through rates  
23 regulated by this State or any other state or states on or  
24 after January 1, 2017. Each contract executed to purchase  
25 renewable energy credits under this subsection (c) shall  
26 provide for the contract's termination if the costs of the

1 generating unit supplying the renewable energy credits  
2 subsequently begin to be recovered through rates regulated  
3 by this State or any other state or states; and each  
4 contract shall further provide that, in that event, the  
5 supplier of the credits must return 110% of all payments  
6 received under the contract. Amounts returned under the  
7 requirements of this subparagraph (J) shall be retained by  
8 the utility and all of these amounts shall be used for the  
9 procurement of additional renewable energy credits from  
10 new wind or new photovoltaic resources as defined in this  
11 subsection (c). The long-term plan shall provide that  
12 these renewable energy credits shall be procured in the  
13 next procurement event.

14 Notwithstanding the limitations of this subparagraph  
15 (J), renewable energy credits sourced from generating  
16 units that are constructed, purchased, owned, or leased by  
17 an electric utility as part of an approved project,  
18 program, or pilot under Section 1-56 of this Act shall be  
19 eligible to be counted toward the renewable energy  
20 requirements of this subsection (c), regardless of how the  
21 costs of these units are recovered. As long as a  
22 generating unit or an identifiable portion of a generating  
23 unit has not had and does not have its costs recovered  
24 through rates regulated by this State or any other state,  
25 HVDC renewable energy credits associated with that  
26 generating unit or identifiable portion thereof shall be

1 eligible to be counted toward the renewable energy  
2 requirements of this subsection (c).

3 (K) The long-term renewable resources procurement plan  
4 developed by the Agency in accordance with subparagraph  
5 (A) of this paragraph (1) shall include an Adjustable  
6 Block program for the procurement of renewable energy  
7 credits from new photovoltaic projects that are  
8 distributed renewable energy generation devices or new  
9 photovoltaic community renewable generation projects. The  
10 Adjustable Block program shall be generally designed to  
11 provide for the steady, predictable, and sustainable  
12 growth of new solar photovoltaic development in Illinois.  
13 To this end, the Adjustable Block program shall provide a  
14 transparent annual schedule of prices and quantities to  
15 enable the photovoltaic market to scale up and for  
16 renewable energy credit prices to adjust at a predictable  
17 rate over time. The prices set by the Adjustable Block  
18 program can be reflected as a set value or as the product  
19 of a formula.

20 The Adjustable Block program shall include for each  
21 category of eligible projects for each delivery year: a  
22 single block of nameplate capacity, a price for renewable  
23 energy credits within that block, and the terms and  
24 conditions for securing a spot on a waitlist once the  
25 block is fully committed or reserved. Except as outlined  
26 below, the waitlist of projects in a given year will carry

1 over to apply to the subsequent year when another block is  
2 opened. Only projects energized on or after June 1, 2017  
3 shall be eligible for the Adjustable Block program. For  
4 each category for each delivery year the Agency shall  
5 determine the amount of generation capacity in each block,  
6 and the purchase price for each block, provided that the  
7 purchase price provided and the total amount of generation  
8 in all blocks for all categories shall be sufficient to  
9 meet the goals in this subsection (c). The Agency shall  
10 strive to issue a single block sized to provide for  
11 stability and market growth. The Agency shall establish  
12 program eligibility requirements that ensure that projects  
13 that enter the program are sufficiently mature to indicate  
14 a demonstrable path to completion. The Agency may  
15 periodically review its prior decisions establishing the  
16 amount of generation capacity in each block, and the  
17 purchase price for each block, and may propose, on an  
18 expedited basis, changes to these previously set values,  
19 including but not limited to redistributing these amounts  
20 and the available funds as necessary and appropriate,  
21 subject to Commission approval as part of the periodic  
22 plan revision process described in Section 16-111.5 of the  
23 Public Utilities Act. The Agency may define different  
24 block sizes, purchase prices, or other distinct terms and  
25 conditions for projects located in different utility  
26 service territories if the Agency deems it necessary to

1 meet the goals in this subsection (c).

2 The Adjustable Block program shall include the  
3 following categories in at least the following amounts:

4 (i) At least 20% from distributed renewable energy  
5 generation devices with a nameplate capacity of no  
6 more than 25 kilowatts.

7 (ii) At least 20% from distributed renewable  
8 energy generation devices with a nameplate capacity of  
9 more than 25 kilowatts and no more than 5,000  
10 kilowatts. The Agency may create sub-categories within  
11 this category to account for the differences between  
12 projects for small commercial customers, large  
13 commercial customers, and public or non-profit  
14 customers.

15 (iii) At least 30% from photovoltaic community  
16 renewable generation projects. Capacity for this  
17 category for the first 2 delivery years after the  
18 effective date of this amendatory Act of the 102nd  
19 General Assembly shall be allocated to waitlist  
20 projects as provided in paragraph (3) of item (iv) of  
21 subparagraph (G). Starting in the third delivery year  
22 after the effective date of this amendatory Act of the  
23 102nd General Assembly or earlier if the Agency  
24 determines there is additional capacity needed for to  
25 meet previous delivery year requirements, the  
26 following shall apply:



1           (1) the Agency shall select projects on a  
2 first-come, first-serve basis, however the Agency  
3 may suggest additional methods to prioritize  
4 projects that are submitted at the same time;

5           (2) projects shall have subscriptions of 25 kW  
6 or less for at least 50% of the facility's  
7 nameplate capacity and the Agency shall price the  
8 renewable energy credits with that as a factor;

9           (3) projects shall not be colocated with one  
10 or more other community renewable generation  
11 projects, as defined in the Agency's first revised  
12 long-term renewable resources procurement plan  
13 approved by the Commission on February 18, 2020,  
14 such that the aggregate nameplate capacity exceeds  
15 5,000 kilowatts; and

16           (4) projects greater than 2 MW may not apply  
17 until after the approval of the Agency's revised  
18 Long-Term Renewable Resources Procurement Plan  
19 after the effective date of this amendatory Act of  
20 the 102nd General Assembly.

21           (iv) At least 15% from distributed renewable  
22 generation devices or photovoltaic community renewable  
23 generation projects installed on public school land.  
24 The Agency may create subcategories within this  
25 category to account for the differences between  
26 project size or location. Projects located within

1 environmental justice communities or within  
2 Organizational Units that fall within Tier 1 or Tier 2  
3 shall be given priority. Each of the Agency's periodic  
4 updates to its long-term renewable resources  
5 procurement plan to incorporate the procurement  
6 described in this subparagraph (iv) shall also include  
7 the proposed quantities or blocks, pricing, and  
8 contract terms applicable to the procurement as  
9 indicated herein. In each such update and procurement,  
10 the Agency shall set the renewable energy credit price  
11 and establish payment terms for the renewable energy  
12 credits procured pursuant to this subparagraph (iv)  
13 that make it feasible and affordable for public  
14 schools to install photovoltaic distributed renewable  
15 energy devices on their premises, including, but not  
16 limited to, those public schools subject to the  
17 prioritization provisions of this subparagraph. For  
18 the purposes of this item (iv):

19 "Environmental Justice Community" shall have the  
20 same meaning set forth in the Agency's long-term  
21 renewable resources procurement plan;

22 "Organization Unit", "Tier 1" and "Tier 2" shall  
23 have the meanings set for in Section 18-8.15 of the  
24 School Code;

25 "Public schools" shall have the meaning set forth  
26 in Section 1-3 of the School Code and includes public

1 institutions of higher education, as defined in the  
2 Board of Higher Education Act.

3 (v) At least 5% from community-driven community  
4 solar projects intended to provide more direct and  
5 tangible connection and benefits to the communities  
6 which they serve or in which they operate and,  
7 additionally, to increase the variety of community  
8 solar locations, models, and options in Illinois. As  
9 part of its long-term renewable resources procurement  
10 plan, the Agency shall develop selection criteria for  
11 projects participating in this category. Nothing in  
12 this Section shall preclude the Agency from creating a  
13 selection process that maximizes community ownership  
14 and community benefits in selecting projects to  
15 receive renewable energy credits. Selection criteria  
16 shall include:

17 (1) community ownership or community  
18 wealth-building;

19 (2) additional direct and indirect community  
20 benefit, beyond project participation as a  
21 subscriber, including, but not limited to,  
22 economic, environmental, social, cultural, and  
23 physical benefits;

24 (3) meaningful involvement in project  
25 organization and development by community members  
26 or nonprofit organizations or public entities

1 located in or serving the community;

2 (4) engagement in project operations and  
3 management by nonprofit organizations, public  
4 entities, or community members; and

5 (5) whether a project is developed in response  
6 to a site-specific RFP developed by community  
7 members or a nonprofit organization or public  
8 entity located in or serving the community.

9 Selection criteria may also prioritize projects  
10 that:

11 (1) are developed in collaboration with or to  
12 provide complementary opportunities for the Clean  
13 Jobs Workforce Network Program, the Illinois  
14 Climate Works Preapprenticeship Program, the  
15 Returning Residents Clean Jobs Training Program,  
16 the Clean Energy Contractor Incubator Program, or  
17 the Clean Energy Primes Contractor Accelerator  
18 Program;

19 (2) increase the diversity of locations of  
20 community solar projects in Illinois, including by  
21 locating in urban areas and population centers;

22 (3) are located in Equity Investment Eligible  
23 Communities;

24 (4) are not greenfield projects;

25 (5) serve only local subscribers;

26 (6) have a nameplate capacity that does not

1 exceed 500 kW;

2 (7) are developed by an equity eligible  
3 contractor; or

4 (8) otherwise meaningfully advance the goals  
5 of providing more direct and tangible connection  
6 and benefits to the communities which they serve  
7 or in which they operate and increasing the  
8 variety of community solar locations, models, and  
9 options in Illinois.

10 For the purposes of this item (v):

11 "Community" means a social unit in which people  
12 come together regularly to effect change; a social  
13 unit in which participants are marked by a cooperative  
14 spirit, a common purpose, or shared interests or  
15 characteristics; or a space understood by its  
16 residents to be delineated through geographic  
17 boundaries or landmarks.

18 "Community benefit" means a range of services and  
19 activities that provide affirmative, economic,  
20 environmental, social, cultural, or physical value to  
21 a community; or a mechanism that enables economic  
22 development, high-quality employment, and education  
23 opportunities for local workers and residents, or  
24 formal monitoring and oversight structures such that  
25 community members may ensure that those services and  
26 activities respond to local knowledge and needs.

1           "Community ownership" means an arrangement in  
2           which an electric generating facility is, or over time  
3           will be, in significant part, owned collectively by  
4           members of the community to which an electric  
5           generating facility provides benefits; members of that  
6           community participate in decisions regarding the  
7           governance, operation, maintenance, and upgrades of  
8           and to that facility; and members of that community  
9           benefit from regular use of that facility.

10           Terms and guidance within these criteria that are  
11           not defined in this item (v) shall be defined by the  
12           Agency, with stakeholder input, during the development  
13           of the Agency's long-term renewable resources  
14           procurement plan. The Agency shall develop regular  
15           opportunities for projects to submit applications for  
16           projects under this category, and develop selection  
17           criteria that gives preference to projects that better  
18           meet individual criteria as well as projects that  
19           address a higher number of criteria.

20           (vi) At least 10% from distributed renewable  
21           energy generation devices, which includes distributed  
22           renewable energy devices with a nameplate capacity  
23           under 5,000 kilowatts or photovoltaic community  
24           renewable generation projects, from applicants that  
25           are equity eligible contractors. The Agency may create  
26           subcategories within this category to account for the

1 differences between project size and type. The Agency  
2 shall propose to increase the percentage in this item  
3 (vi) over time to 40% based on factors, including, but  
4 not limited to, the number of equity eligible  
5 contractors and capacity used in this item (vi) in  
6 previous delivery years.

7 The Agency shall propose a payment structure for  
8 contracts executed pursuant to this paragraph under  
9 which, upon a demonstration of qualification or need,  
10 applicant firms are advanced capital disbursed after  
11 contract execution but before the contracted project's  
12 energization. The amount or percentage of capital  
13 advanced prior to project energization shall be  
14 sufficient to both cover any increase in development  
15 costs resulting from prevailing wage requirements or  
16 project-labor agreements, and designed to overcome  
17 barriers in access to capital faced by equity eligible  
18 contractors. The amount or percentage of advanced  
19 capital may vary by subcategory within this category  
20 and by an applicant's demonstration of need, with such  
21 levels to be established through the Long-Term  
22 Renewable Resources Procurement Plan authorized under  
23 subparagraph (A) of paragraph (1) of subsection (c) of  
24 this Section.

25 Contracts developed featuring capital advanced  
26 prior to a project's energization shall feature

1 provisions to ensure both the successful development  
2 of applicant projects and the delivery of the  
3 renewable energy credits for the full term of the  
4 contract, including ongoing collateral requirements  
5 and other provisions deemed necessary by the Agency,  
6 and may include energization timelines longer than for  
7 comparable project types. The percentage or amount of  
8 capital advanced prior to project energization shall  
9 not operate to increase the overall contract value,  
10 however contracts executed under this subparagraph may  
11 feature renewable energy credit prices higher than  
12 those offered to similar projects participating in  
13 other categories. Capital advanced prior to  
14 energization shall serve to reduce the ratable  
15 payments made after energization under items (ii) and  
16 (iii) of subparagraph (L) or payments made for each  
17 renewable energy credit delivery under item (iv) of  
18 subparagraph (L).

19 (vii) The remaining capacity shall be allocated by  
20 the Agency in order to respond to market demand. The  
21 Agency shall allocate any discretionary capacity prior  
22 to the beginning of each delivery year.

23 To the extent there is uncontracted capacity from any  
24 block in any of categories (i) through (vi) at the end of a  
25 delivery year, the Agency shall redistribute that capacity  
26 to one or more other categories giving priority to



1 categories with projects on a waitlist. The redistributed  
2 capacity shall be added to the annual capacity in the  
3 subsequent delivery year, and the price for renewable  
4 energy credits shall be the price for the new delivery  
5 year. Redistributed capacity shall not be considered  
6 redistributed when determining whether the goals in this  
7 subsection (K) have been met.

8 Notwithstanding anything to the contrary, as the  
9 Agency increases the capacity in item (vi) to 40% over  
10 time, the Agency may reduce the capacity of items (i)  
11 through (v) proportionate to the capacity of the  
12 categories of projects in item (vi), to achieve a balance  
13 of project types.

14 The Adjustable Block program shall be designed to  
15 ensure that renewable energy credits are procured from  
16 projects in diverse locations and are not concentrated in  
17 a few regional areas.

18 (L) Notwithstanding provisions for advancing capital  
19 prior to project energization found in item (vi) of  
20 subparagraph (K), the procurement of photovoltaic  
21 renewable energy credits under items (i) through (vi) of  
22 subparagraph (K) of this paragraph (1) shall otherwise be  
23 subject to the following contract and payment terms:

24 (i) (Blank).

25 (ii) For those renewable energy credits that  
26 qualify and are procured under item (i) of

1           subparagraph (K) of this paragraph (1), and any  
2           similar category projects that are procured under item  
3           (vi) of subparagraph (K) of this paragraph (1) that  
4           qualify and are procured under item (vi), the contract  
5           length shall be 15 years. The renewable energy credit  
6           delivery contract value shall be paid in full, based  
7           on the estimated generation during the first 15 years  
8           of operation, by the contracting utilities at the time  
9           that the facility producing the renewable energy  
10          credits is interconnected at the distribution system  
11          level of the utility and verified as energized and  
12          compliant by the Program Administrator. The electric  
13          utility shall receive and retire all renewable energy  
14          credits generated by the project for the first 15  
15          years of operation. Renewable energy credits generated  
16          by the project thereafter shall not be transferred  
17          under the renewable energy credit delivery contract  
18          with the counterparty electric utility.

19                 (iii) For those renewable energy credits that  
20                 qualify and are procured under item (ii) and (v) of  
21                 subparagraph (K) of this paragraph (1) and any like  
22                 projects similar category that qualify and are  
23                 procured under item (vi), the contract length shall be  
24                 15 years. 15% of the renewable energy credit delivery  
25                 contract value, based on the estimated generation  
26                 during the first 15 years of operation, shall be paid

1 by the contracting utilities at the time that the  
2 facility producing the renewable energy credits is  
3 interconnected at the distribution system level of the  
4 utility and verified as energized and compliant by the  
5 Program Administrator. The remaining portion shall be  
6 paid ratably over the subsequent 6-year period. The  
7 electric utility shall receive and retire all  
8 renewable energy credits generated by the project for  
9 the first 15 years of operation. Renewable energy  
10 credits generated by the project thereafter shall not  
11 be transferred under the renewable energy credit  
12 delivery contract with the counterparty electric  
13 utility.

14 (iv) For those renewable energy credits that  
15 qualify and are procured under items (iii) and (iv) of  
16 subparagraph (K) of this paragraph (1), and any like  
17 projects that qualify and are procured under item  
18 (vi), the renewable energy credit delivery contract  
19 length shall be 20 years and shall be paid over the  
20 delivery term, not to exceed during each delivery year  
21 the contract price multiplied by the estimated annual  
22 renewable energy credit generation amount. If  
23 generation of renewable energy credits during a  
24 delivery year exceeds the estimated annual generation  
25 amount, the excess renewable energy credits shall be  
26 carried forward to future delivery years and shall not

1 expire during the delivery term. If generation of  
2 renewable energy credits during a delivery year,  
3 including carried forward excess renewable energy  
4 credits, if any, is less than the estimated annual  
5 generation amount, payments during such delivery year  
6 will not exceed the quantity generated plus the  
7 quantity carried forward multiplied by the contract  
8 price. The electric utility shall receive all  
9 renewable energy credits generated by the project  
10 during the first 20 years of operation and retire all  
11 renewable energy credits paid for under this item (iv)  
12 and return at the end of the delivery term all  
13 renewable energy credits that were not paid for.  
14 Renewable energy credits generated by the project  
15 thereafter shall not be transferred under the  
16 renewable energy credit delivery contract with the  
17 counterparty electric utility. Notwithstanding the  
18 preceding, for those projects participating under item  
19 (iii) of subparagraph (K), the contract price for a  
20 delivery year shall be based on subscription levels as  
21 measured on the higher of the first business day of the  
22 delivery year or the first business day 6 months after  
23 the first business day of the delivery year.  
24 Subscription of 90% of nameplate capacity or greater  
25 shall be deemed to be fully subscribed for the  
26 purposes of this item (iv). For projects receiving a

1 20-year delivery contract, REC prices shall be  
2 adjusted downward for consistency with the incentive  
3 levels previously determined to be necessary to  
4 support projects under 15-year delivery contracts,  
5 taking into consideration any additional new  
6 requirements placed on the projects, including, but  
7 not limited to, labor standards.

8 (v) Each contract shall include provisions to  
9 ensure the delivery of the estimated quantity of  
10 renewable energy credits and ongoing collateral  
11 requirements and other provisions deemed appropriate  
12 by the Agency.

13 (vi) The utility shall be the counterparty to the  
14 contracts executed under this subparagraph (L) that  
15 are approved by the Commission under the process  
16 described in Section 16-111.5 of the Public Utilities  
17 Act. No contract shall be executed for an amount that  
18 is less than one renewable energy credit per year.

19 (vii) If, at any time, approved applications for  
20 the Adjustable Block program exceed funds collected by  
21 the electric utility or would cause the Agency to  
22 exceed the limitation described in subparagraph (E) of  
23 this paragraph (1) on the amount of renewable energy  
24 resources that may be procured, then the Agency may  
25 consider future uncommitted funds to be reserved for  
26 these contracts on a first-come, first-served basis.

1 (viii) Nothing in this Section shall require the  
2 utility to advance any payment or pay any amounts that  
3 exceed the actual amount of revenues anticipated to be  
4 collected by the utility under paragraph (6) of this  
5 subsection (c) and subsection (k) of Section 16-108 of  
6 the Public Utilities Act inclusive of eligible funds  
7 collected in prior years and alternative compliance  
8 payments for use by the utility, and contracts  
9 executed under this Section shall expressly  
10 incorporate this limitation.

11 (ix) Notwithstanding other requirements of this  
12 subparagraph (L), no modification shall be required to  
13 Adjustable Block program contracts if they were  
14 already executed prior to the establishment, approval,  
15 and implementation of new contract forms as a result  
16 of this amendatory Act of the 102nd General Assembly.

17 (x) Contracts may be assignable, but only to  
18 entities first deemed by the Agency to have met  
19 program terms and requirements applicable to direct  
20 program participation. In developing contracts for the  
21 delivery of renewable energy credits, the Agency shall  
22 be permitted to establish fees applicable to each  
23 contract assignment.

24 (M) The Agency shall be authorized to retain one or  
25 more experts or expert consulting firms to develop,  
26 administer, implement, operate, and evaluate the

1 Adjustable Block program described in subparagraph (K) of  
2 this paragraph (1), and the Agency shall retain the  
3 consultant or consultants in the same manner, to the  
4 extent practicable, as the Agency retains others to  
5 administer provisions of this Act, including, but not  
6 limited to, the procurement administrator. The selection  
7 of experts and expert consulting firms and the procurement  
8 process described in this subparagraph (M) are exempt from  
9 the requirements of Section 20-10 of the Illinois  
10 Procurement Code, under Section 20-10 of that Code. The  
11 Agency shall strive to minimize administrative expenses in  
12 the implementation of the Adjustable Block program.

13 The Program Administrator may charge application fees  
14 to participating firms to cover the cost of program  
15 administration. Any application fee amounts shall  
16 initially be determined through the long-term renewable  
17 resources procurement plan, and modifications to any  
18 application fee that deviate more than 25% from the  
19 Commission's approved value must be approved by the  
20 Commission as a long-term plan revision under Section  
21 16-111.5 of the Public Utilities Act. The Agency shall  
22 consider stakeholder feedback when making adjustments to  
23 application fees and shall notify stakeholders in advance  
24 of any planned changes.

25 In addition to covering the costs of program  
26 administration, the Agency, in conjunction with its

1 Program Administrator, may also use the proceeds of such  
2 fees charged to participating firms to support public  
3 education and ongoing regional and national coordination  
4 with nonprofit organizations, public bodies, and others  
5 engaged in the implementation of renewable energy  
6 incentive programs or similar initiatives. This work may  
7 include developing papers and reports, hosting regional  
8 and national conferences, and other work deemed necessary  
9 by the Agency to position the State of Illinois as a  
10 national leader in renewable energy incentive program  
11 development and administration.

12 The Agency and its consultant or consultants shall  
13 monitor block activity, share program activity with  
14 stakeholders and conduct quarterly meetings to discuss  
15 program activity and market conditions. If necessary, the  
16 Agency may make prospective administrative adjustments to  
17 the Adjustable Block program design, such as making  
18 adjustments to purchase prices as necessary to achieve the  
19 goals of this subsection (c). Program modifications to any  
20 block price that do not deviate from the Commission's  
21 approved value by more than 10% shall take effect  
22 immediately and are not subject to Commission review and  
23 approval. Program modifications to any block price that  
24 deviate more than 10% from the Commission's approved value  
25 must be approved by the Commission as a long-term plan  
26 amendment under Section 16-111.5 of the Public Utilities



1 Act. The Agency shall consider stakeholder feedback when  
2 making adjustments to the Adjustable Block design and  
3 shall notify stakeholders in advance of any planned  
4 changes.

5 The Agency and its program administrators for both the  
6 Adjustable Block program and the Illinois Solar for All  
7 Program, consistent with the requirements of this  
8 subsection (c) and subsection (b) of Section 1-56 of this  
9 Act, shall propose the Adjustable Block program terms,  
10 conditions, and requirements, including the prices to be  
11 paid for renewable energy credits, where applicable, and  
12 requirements applicable to participating entities and  
13 project applications, through the development, review, and  
14 approval of the Agency's long-term renewable resources  
15 procurement plan described in this subsection (c) and  
16 paragraph (5) of subsection (b) of Section 16-111.5 of the  
17 Public Utilities Act. Terms, conditions, and requirements  
18 for program participation shall include the following:

19 (i) The Agency shall establish a registration  
20 process for entities seeking to qualify for  
21 program-administered incentive funding and establish  
22 baseline qualifications for vendor approval. The  
23 Agency must maintain a list of approved entities on  
24 each program's website, and may revoke a vendor's  
25 ability to receive program-administered incentive  
26 funding status upon a determination that the vendor

1 failed to comply with contract terms, the law, or  
2 other program requirements.

3 (ii) The Agency shall establish program  
4 requirements and minimum contract terms to ensure  
5 projects are properly installed and produce their  
6 expected amounts of energy. Program requirements may  
7 include on-site inspections and photo documentation of  
8 projects under construction. The Agency may require  
9 repairs, alterations, or additions to remedy any  
10 material deficiencies discovered. Vendors who have a  
11 disproportionately high number of deficient systems  
12 may lose their eligibility to continue to receive  
13 State-administered incentive funding through Agency  
14 programs and procurements.

15 (iii) To discourage deceptive marketing or other  
16 bad faith business practices, the Agency may require  
17 direct program participants, including agents  
18 operating on their behalf, to provide standardized  
19 disclosures to a customer prior to that customer's  
20 execution of a contract for the development of a  
21 distributed generation system or a subscription to a  
22 community solar project.

23 (iv) The Agency shall establish one or multiple  
24 Consumer Complaints Centers to accept complaints  
25 regarding businesses that participate in, or otherwise  
26 benefit from, State-administered incentive funding

1 through Agency-administered programs. The Agency shall  
2 maintain a public database of complaints with any  
3 confidential or particularly sensitive information  
4 redacted from public entries.

5 (v) Through a filing in the proceeding for the  
6 approval of its long-term renewable energy resources  
7 procurement plan, the Agency shall provide an annual  
8 written report to the Illinois Commerce Commission  
9 documenting the frequency and nature of complaints and  
10 any enforcement actions taken in response to those  
11 complaints.

12 (vi) The Agency shall schedule regular meetings  
13 with representatives of the Office of the Attorney  
14 General, the Illinois Commerce Commission, consumer  
15 protection groups, and other interested stakeholders  
16 to share relevant information about consumer  
17 protection, project compliance, and complaints  
18 received.

19 (vii) To the extent that complaints received  
20 implicate the jurisdiction of the Office of the  
21 Attorney General, the Illinois Commerce Commission, or  
22 local, State, or federal law enforcement, the Agency  
23 shall also refer complaints to those entities as  
24 appropriate.

25 (N) The Agency shall establish the terms, conditions,  
26 and program requirements for photovoltaic community

1 renewable generation projects with a goal to expand access  
2 to a broader group of energy consumers, to ensure robust  
3 participation opportunities for residential and small  
4 commercial customers and those who cannot install  
5 renewable energy on their own properties. Subject to  
6 reasonable limitations, any plan approved by the  
7 Commission shall allow subscriptions to community  
8 renewable generation projects to be portable and  
9 transferable. For purposes of this subparagraph (N),  
10 "portable" means that subscriptions may be retained by the  
11 subscriber even if the subscriber relocates or changes its  
12 address within the same utility service territory; and  
13 "transferable" means that a subscriber may assign or sell  
14 subscriptions to another person within the same utility  
15 service territory.

16 Through the development of its long-term renewable  
17 resources procurement plan, the Agency may consider  
18 whether community renewable generation projects utilizing  
19 technologies other than photovoltaics should be supported  
20 through State-administered incentive funding, and may  
21 issue requests for information to gauge market demand.

22 Electric utilities shall provide a monetary credit to  
23 a subscriber's subsequent bill for service for the  
24 proportional output of a community renewable generation  
25 project attributable to that subscriber as specified in  
26 Section 16-107.5 of the Public Utilities Act.

1           The Agency shall purchase renewable energy credits  
2           from subscribed shares of photovoltaic community renewable  
3           generation projects through the Adjustable Block program  
4           described in subparagraph (K) of this paragraph (1) or  
5           through the Illinois Solar for All Program described in  
6           Section 1-56 of this Act. The electric utility shall  
7           purchase any unsubscribed energy from community renewable  
8           generation projects that are Qualifying Facilities ("QF")  
9           under the electric utility's tariff for purchasing the  
10          output from QFs under Public Utilities Regulatory Policies  
11          Act of 1978.

12          The owners of and any subscribers to a community  
13          renewable generation project shall not be considered  
14          public utilities or alternative retail electricity  
15          suppliers under the Public Utilities Act solely as a  
16          result of their interest in or subscription to a community  
17          renewable generation project and shall not be required to  
18          become an alternative retail electric supplier by  
19          participating in a community renewable generation project  
20          with a public utility.

21          (O) For the delivery year beginning June 1, 2018, the  
22          long-term renewable resources procurement plan required by  
23          this subsection (c) shall provide for the Agency to  
24          procure contracts to continue offering the Illinois Solar  
25          for All Program described in subsection (b) of Section  
26          1-56 of this Act, and the contracts approved by the

1 Commission shall be executed by the utilities that are  
2 subject to this subsection (c). The long-term renewable  
3 resources procurement plan shall allocate up to  
4 \$50,000,000 per delivery year to fund the programs, and  
5 the plan shall determine the amount of funding to be  
6 apportioned to the programs identified in subsection (b)  
7 of Section 1-56 of this Act; provided that for the  
8 delivery years beginning June 1, 2021, June 1, 2022, and  
9 June 1, 2023, the long-term renewable resources  
10 procurement plan may average the annual budgets over a  
11 3-year period to account for program ramp-up. For the  
12 delivery years beginning June 1, 2021, June 1, 2024, June  
13 1, 2027, and June 1, 2030 and additional \$10,000,000 shall  
14 be provided to the Department of Commerce and Economic  
15 Opportunity to implement the workforce development  
16 programs and reporting as outlined in Section 16-108.12 of  
17 the Public Utilities Act. In making the determinations  
18 required under this subparagraph (O), the Commission shall  
19 consider the experience and performance under the programs  
20 and any evaluation reports. The Commission shall also  
21 provide for an independent evaluation of those programs on  
22 a periodic basis that are funded under this subparagraph  
23 (O).

24 (P) All programs and procurements under this  
25 subsection (c) shall be designed to encourage  
26 participating projects to use a diverse and equitable

1 workforce and a diverse set of contractors, including  
2 minority-owned businesses, disadvantaged businesses,  
3 trade unions, graduates of any workforce training programs  
4 administered under this Act, and small businesses.

5 The Agency shall develop a method to optimize  
6 procurement of renewable energy credits from proposed  
7 utility-scale projects that are located in communities  
8 eligible to receive Energy Transition Community Grants  
9 pursuant to Section 10-20 of the Energy Community  
10 Reinvestment Act. If this requirement conflicts with other  
11 provisions of law or the Agency determines that full  
12 compliance with the requirements of this subparagraph (P)  
13 would be unreasonably costly or administratively  
14 impractical, the Agency is to propose alternative  
15 approaches to achieve development of renewable energy  
16 resources in communities eligible to receive Energy  
17 Transition Community Grants pursuant to Section 10-20 of  
18 the Energy Community Reinvestment Act or seek an exemption  
19 from this requirement from the Commission.

20 (Q) Each facility listed in subitems (i) through (ix)  
21 of item (1) of this subparagraph (Q) for which a renewable  
22 energy credit delivery contract is signed after the  
23 effective date of this amendatory Act of the 102nd General  
24 Assembly is subject to the following requirements through  
25 the Agency's long-term renewable resources procurement  
26 plan:

1           (1) Each facility shall be subject to the  
2 prevailing wage requirements included in the  
3 Prevailing Wage Act. The Agency shall require  
4 verification that all construction performed on the  
5 facility by the renewable energy credit delivery  
6 contract holder, its contractors, or its  
7 subcontractors relating to construction of the  
8 facility is performed by construction employees  
9 receiving an amount for that work equal to or greater  
10 than the general prevailing rate, as that term is  
11 defined in Section 3 of the Prevailing Wage Act. For  
12 purposes of this item (1), "house of worship" means  
13 property that is both (1) used exclusively by a  
14 religious society or body of persons as a place for  
15 religious exercise or religious worship and (2)  
16 recognized as exempt from taxation pursuant to Section  
17 15-40 of the Property Tax Code. This item (1) shall  
18 apply to any the following:

19                   (i) all new utility-scale wind projects;

20                   (ii) all new utility-scale photovoltaic  
21 projects;

22                   (iii) all new brownfield photovoltaic  
23 projects;

24                   (iv) all new photovoltaic community renewable  
25 energy facilities and any associated energy  
26 storage systems that qualify for item (iii) of



1 subparagraph (K) of this paragraph (1);

2 (v) all new community driven community  
3 photovoltaic projects and any associated energy  
4 storage systems that qualify for item (v) of  
5 subparagraph (K) of this paragraph (1);

6 (vi) all new photovoltaic projects on public  
7 school land and any associated energy storage  
8 systems that qualify for item (iv) of subparagraph  
9 (K) of this paragraph (1);

10 (vii) all new photovoltaic distributed  
11 renewable energy generation devices and any  
12 associated energy storage systems that (1) qualify  
13 for item (i) of subparagraph (K) of this paragraph  
14 (1); (2) are not projects that serve single-family  
15 or multi-family residential buildings; and (3) are  
16 not houses of worship where the aggregate capacity  
17 including collocated projects would not exceed 100  
18 kilowatts;

19 (viii) all new photovoltaic distributed  
20 renewable energy generation devices and any  
21 associated energy storage systems that (1) qualify  
22 for item (ii) of subparagraph (K) of this  
23 paragraph (1); (2) are not projects that serve  
24 single-family or multi-family residential  
25 buildings; and (3) are not houses of worship where  
26 the aggregate capacity including collocated

1 projects would not exceed 100 kilowatts;

2 (ix) all new, modernized, or retooled  
3 hydropower facilities.

4 (2) Renewable energy credits procured from new  
5 utility-scale wind projects, new utility-scale solar  
6 projects, and new brownfield solar projects pursuant  
7 to Agency procurement events occurring after the  
8 effective date of this amendatory Act of the 102nd  
9 General Assembly must be from facilities built by  
10 general contractors that must enter into a project  
11 labor agreement, as defined by this Act, prior to  
12 construction. The project labor agreement shall be  
13 filed with the Director in accordance with procedures  
14 established by the Agency through its long-term  
15 renewable resources procurement plan. Any information  
16 submitted to the Agency in this item (2) shall be  
17 considered commercially sensitive information. At a  
18 minimum, the project labor agreement must provide the  
19 names, addresses, and occupations of the owner of the  
20 plant and the individuals representing the labor  
21 organization employees participating in the project  
22 labor agreement consistent with the Project Labor  
23 Agreements Act. The agreement must also specify the  
24 terms and conditions as defined by this Act.

25 (3) It is the intent of this Section to ensure that  
26 economic development occurs across Illinois

1 communities, that emerging businesses may grow, and  
2 that there is improved access to the clean energy  
3 economy by persons who have greater economic burdens  
4 to success. The Agency shall take into consideration  
5 the unique cost of compliance of this subparagraph (Q)  
6 that might be borne by equity eligible contractors,  
7 shall include such costs when determining the price of  
8 renewable energy credits in the Adjustable Block  
9 program, and shall take such costs into consideration  
10 in a nondiscriminatory manner when comparing bids for  
11 competitive procurements. The Agency shall consider  
12 costs associated with compliance whether in the  
13 development, financing, or construction of projects.  
14 The Agency shall periodically review the assumptions  
15 in these costs and may adjust prices, in compliance  
16 with subparagraph (M) of this paragraph (1).

17 (R) In its long-term renewable resources procurement  
18 plan, the Agency shall establish a self-direct renewable  
19 portfolio standard compliance program for eligible  
20 self-direct customers that purchase renewable energy  
21 credits from utility-scale wind and solar projects through  
22 long-term agreements for purchase of renewable energy  
23 credits as described in this Section. Such long-term  
24 agreements may include the purchase of energy or other  
25 products on a physical or financial basis and may involve  
26 an alternative retail electric supplier as defined in

1 Section 16-102 of the Public Utilities Act. This program  
2 shall take effect in the delivery year commencing June 1,  
3 2023.

4 (1) For the purposes of this subparagraph:

5 "Eligible self-direct customer" means any retail  
6 customers of an electric utility that serves 3,000,000  
7 or more retail customers in the State and whose total  
8 highest 30-minute demand was more than 10,000  
9 kilowatts, or any retail customers of an electric  
10 utility that serves less than 3,000,000 retail  
11 customers but more than 500,000 retail customers in  
12 the State and whose total highest 15-minute demand was  
13 more than 10,000 kilowatts.

14 "Retail customer" has the meaning set forth in  
15 Section 16-102 of the Public Utilities Act and  
16 multiple retail customer accounts under the same  
17 corporate parent may aggregate their account demands  
18 to meet the 10,000 kilowatt threshold. The criteria  
19 for determining whether this subparagraph is  
20 applicable to a retail customer shall be based on the  
21 12 consecutive billing periods prior to the start of  
22 the year in which the application is filed.

23 (2) For renewable energy credits to count toward  
24 the self-direct renewable portfolio standard  
25 compliance program, they must:

26 (i) qualify as renewable energy credits as

1 defined in Section 1-10 of this Act;

2 (ii) be sourced from one or more renewable  
3 energy generating facilities that comply with the  
4 geographic requirements as set forth in  
5 subparagraph (I) of paragraph (1) of subsection  
6 (c) as interpreted through the Agency's long-term  
7 renewable resources procurement plan, or, where  
8 applicable, the geographic requirements that  
9 governed utility-scale renewable energy credits at  
10 the time the eligible self-direct customer entered  
11 into the applicable renewable energy credit  
12 purchase agreement;

13 (iii) be procured through long-term contracts  
14 with term lengths of at least 10 years either  
15 directly with the renewable energy generating  
16 facility or through a bundled power purchase  
17 agreement, a virtual power purchase agreement, an  
18 agreement between the renewable generating  
19 facility, an alternative retail electric supplier,  
20 and the customer, or such other structure as is  
21 permissible under this subparagraph (R);

22 (iv) be equivalent in volume to at least 40%  
23 of the eligible self-direct customer's usage,  
24 determined annually by the eligible self-direct  
25 customer's usage during the previous delivery  
26 year, measured to the nearest megawatt-hour;

1 (v) be retired by or on behalf of the large  
2 energy customer;

3 (vi) be sourced from new utility-scale wind  
4 projects or new utility-scale solar projects; and

5 (vii) if the contracts for renewable energy  
6 credits are entered into after the effective date  
7 of this amendatory Act of the 102nd General  
8 Assembly, the new utility-scale wind projects or  
9 new utility-scale solar projects must comply with  
10 the requirements established in subparagraphs (P)  
11 and (Q) of paragraph (1) of this subsection (c)  
12 and subsection (c-10).

13 (3) The self-direct renewable portfolio standard  
14 compliance program shall be designed to allow eligible  
15 self-direct customers to procure new renewable energy  
16 credits from new utility-scale wind projects or new  
17 utility-scale photovoltaic projects. The Agency shall  
18 annually determine the amount of utility-scale  
19 renewable energy credits it will include each year  
20 from the self-direct renewable portfolio standard  
21 compliance program, subject to receiving qualifying  
22 applications. In making this determination, the Agency  
23 shall evaluate publicly available analyses and studies  
24 of the potential market size for utility-scale  
25 renewable energy long-term purchase agreements by  
26 commercial and industrial energy customers and make

1 that report publicly available. If demand for  
2 participation in the self-direct renewable portfolio  
3 standard compliance program exceeds availability, the  
4 Agency shall ensure participation is evenly split  
5 between commercial and industrial users to the extent  
6 there is sufficient demand from both customer classes.  
7 Each renewable energy credit procured pursuant to this  
8 subparagraph (R) by a self-direct customer shall  
9 reduce the total volume of renewable energy credits  
10 the Agency is otherwise required to procure from new  
11 utility-scale projects pursuant to subparagraph (C) of  
12 paragraph (1) of this subsection (c) on behalf of  
13 contracting utilities where the eligible self-direct  
14 customer is located. The self-direct customer shall  
15 file an annual compliance report with the Agency  
16 pursuant to terms established by the Agency through  
17 its long-term renewable resources procurement plan to  
18 be eligible for participation in this program.  
19 Customers must provide the Agency with their most  
20 recent electricity billing statements or other  
21 information deemed necessary by the Agency to  
22 demonstrate they are an eligible self-direct customer.

23 (4) The Commission shall approve a reduction in  
24 the volumetric charges collected pursuant to Section  
25 16-108 of the Public Utilities Act for approved  
26 eligible self-direct customers equivalent to the

1 anticipated cost of renewable energy credit deliveries  
2 under contracts for new utility-scale wind and new  
3 utility-scale solar entered for each delivery year  
4 after the large energy customer begins retiring  
5 eligible new utility scale renewable energy credits  
6 for self-compliance. The self-direct credit amount  
7 shall be determined annually and is equal to the  
8 estimated portion of the cost authorized by  
9 subparagraph (E) of paragraph (1) of this subsection  
10 (c) that supported the annual procurement of  
11 utility-scale renewable energy credits in the prior  
12 delivery year using a methodology described in the  
13 long-term renewable resources procurement plan,  
14 expressed on a per kilowatthour basis, and does not  
15 include (i) costs associated with any contracts  
16 entered into before the delivery year in which the  
17 customer files the initial compliance report to be  
18 eligible for participation in the self-direct program,  
19 and (ii) costs associated with procuring renewable  
20 energy credits through existing and future contracts  
21 through the Adjustable Block Program, subsection (c-5)  
22 of this Section 1-75, and the Solar for All Program.  
23 The Agency shall assist the Commission in determining  
24 the current and future costs. The Agency must  
25 determine the self-direct credit amount for new and  
26 existing eligible self-direct customers and submit



1 this to the Commission in an annual compliance filing.  
2 The Commission must approve the self-direct credit  
3 amount by June 1, 2023 and June 1 of each delivery year  
4 thereafter.

5 (5) Customers described in this subparagraph (R)  
6 shall apply, on a form developed by the Agency, to the  
7 Agency to be designated as a self-direct eligible  
8 customer. Once the Agency determines that a  
9 self-direct customer is eligible for participation in  
10 the program, the self-direct customer will remain  
11 eligible until the end of the term of the contract.  
12 Thereafter, application may be made not less than 12  
13 months before the filing date of the long-term  
14 renewable resources procurement plan described in this  
15 Act. At a minimum, such application shall contain the  
16 following:

17 (i) the customer's certification that, at the  
18 time of the customer's application, the customer  
19 qualifies to be a self-direct eligible customer,  
20 including documents demonstrating that  
21 qualification;

22 (ii) the customer's certification that the  
23 customer has entered into or will enter into by  
24 the beginning of the applicable procurement year,  
25 one or more bilateral contracts for new wind  
26 projects or new photovoltaic projects, including

1 supporting documentation;

2 (iii) certification that the contract or  
3 contracts for new renewable energy resources are  
4 long-term contracts with term lengths of at least  
5 10 years, including supporting documentation;

6 (iv) certification of the quantities of  
7 renewable energy credits that the customer will  
8 purchase each year under such contract or  
9 contracts, including supporting documentation;

10 (v) proof that the contract is sufficient to  
11 produce renewable energy credits to be equivalent  
12 in volume to at least 40% of the large energy  
13 customer's usage from the previous delivery year,  
14 measured to the nearest megawatt-hour; and

15 (vi) certification that the customer intends  
16 to maintain the contract for the duration of the  
17 length of the contract.

18 (6) If a customer receives the self-direct credit  
19 but fails to properly procure and retire renewable  
20 energy credits as required under this subparagraph  
21 (R), the Commission, on petition from the Agency and  
22 after notice and hearing, may direct such customer's  
23 utility to recover the cost of the wrongfully received  
24 self-direct credits plus interest through an adder to  
25 charges assessed pursuant to Section 16-108 of the  
26 Public Utilities Act. Self-direct customers who

1            knowingly fail to properly procure and retire  
2            renewable energy credits and do not notify the Agency  
3            are ineligible for continued participation in the  
4            self-direct renewable portfolio standard compliance  
5            program.

6            (2) (Blank).

7            (3) (Blank).

8            (4) The electric utility shall retire all renewable  
9            energy credits used to comply with the standard.

10           (5) Beginning with the 2010 delivery year and ending  
11           June 1, 2017, an electric utility subject to this  
12           subsection (c) shall apply the lesser of the maximum  
13           alternative compliance payment rate or the most recent  
14           estimated alternative compliance payment rate for its  
15           service territory for the corresponding compliance period,  
16           established pursuant to subsection (d) of Section 16-115D  
17           of the Public Utilities Act to its retail customers that  
18           take service pursuant to the electric utility's hourly  
19           pricing tariff or tariffs. The electric utility shall  
20           retain all amounts collected as a result of the  
21           application of the alternative compliance payment rate or  
22           rates to such customers, and, beginning in 2011, the  
23           utility shall include in the information provided under  
24           item (1) of subsection (d) of Section 16-111.5 of the  
25           Public Utilities Act the amounts collected under the  
26           alternative compliance payment rate or rates for the prior

1 year ending May 31. Notwithstanding any limitation on the  
2 procurement of renewable energy resources imposed by item  
3 (2) of this subsection (c), the Agency shall increase its  
4 spending on the purchase of renewable energy resources to  
5 be procured by the electric utility for the next plan year  
6 by an amount equal to the amounts collected by the utility  
7 under the alternative compliance payment rate or rates in  
8 the prior year ending May 31.

9 (6) The electric utility shall be entitled to recover  
10 all of its costs associated with the procurement of  
11 renewable energy credits under plans approved under this  
12 Section and Section 16-111.5 of the Public Utilities Act.  
13 These costs shall include associated reasonable expenses  
14 for implementing the procurement programs, including, but  
15 not limited to, the costs of administering and evaluating  
16 the Adjustable Block program, through an automatic  
17 adjustment clause tariff in accordance with subsection (k)  
18 of Section 16-108 of the Public Utilities Act.

19 (7) Renewable energy credits procured from new  
20 photovoltaic projects or new distributed renewable energy  
21 generation devices under this Section after June 1, 2017  
22 (the effective date of Public Act 99-906) must be procured  
23 from devices installed by a qualified person in compliance  
24 with the requirements of Section 16-128A of the Public  
25 Utilities Act and any rules or regulations adopted  
26 thereunder.

1           In meeting the renewable energy requirements of this  
2 subsection (c), to the extent feasible and consistent with  
3 State and federal law, the renewable energy credit  
4 procurements, Adjustable Block solar program, and  
5 community renewable generation program shall provide  
6 employment opportunities for all segments of the  
7 population and workforce, including minority-owned and  
8 female-owned business enterprises, and shall not,  
9 consistent with State and federal law, discriminate based  
10 on race or socioeconomic status.

11           (c-5) Procurement of renewable energy credits from new  
12 renewable energy facilities installed at or adjacent to the  
13 sites of electric generating facilities that burn or burned  
14 coal as their primary fuel source.

15           (1) In addition to the procurement of renewable energy  
16 credits pursuant to long-term renewable resources  
17 procurement plans in accordance with subsection (c) of  
18 this Section and Section 16-111.5 of the Public Utilities  
19 Act, the Agency shall conduct procurement events in  
20 accordance with this subsection (c-5) for the procurement  
21 by electric utilities that served more than 300,000 retail  
22 customers in this State as of January 1, 2019 of renewable  
23 energy credits from new renewable energy facilities to be  
24 installed at or adjacent to the sites of electric  
25 generating facilities that, as of January 1, 2016, burned  
26 coal as their primary fuel source and meet the other

1 criteria specified in this subsection (c-5). For purposes  
2 of this subsection (c-5), "new renewable energy facility"  
3 means a new utility-scale solar project as defined in this  
4 Section 1-75. The renewable energy credits procured  
5 pursuant to this subsection (c-5) may be included or  
6 counted for purposes of compliance with the amounts of  
7 renewable energy credits required to be procured pursuant  
8 to subsection (c) of this Section to the extent that there  
9 are otherwise shortfalls in compliance with such  
10 requirements. The procurement of renewable energy credits  
11 by electric utilities pursuant to this subsection (c-5)  
12 shall be funded solely by revenues collected from the Coal  
13 to Solar and Energy Storage Initiative Charge provided for  
14 in this subsection (c-5) and subsection (i-5) of Section  
15 16-108 of the Public Utilities Act, shall not be funded by  
16 revenues collected through any of the other funding  
17 mechanisms provided for in subsection (c) of this Section,  
18 and shall not be subject to the limitation imposed by  
19 subsection (c) on charges to retail customers for costs to  
20 procure renewable energy resources pursuant to subsection  
21 (c), and shall not be subject to any other requirements or  
22 limitations of subsection (c).

23 (2) The Agency shall conduct 2 procurement events to  
24 select owners of electric generating facilities meeting  
25 the eligibility criteria specified in this subsection  
26 (c-5) to enter into long-term contracts to sell renewable

1 energy credits to electric utilities serving more than  
2 300,000 retail customers in this State as of January 1,  
3 2019. The first procurement event shall be conducted no  
4 later than March 31, 2022, unless the Agency elects to  
5 delay it, until no later than May 1, 2022, due to its  
6 overall volume of work, and shall be to select owners of  
7 electric generating facilities located in this State and  
8 south of federal Interstate Highway 80 that meet the  
9 eligibility criteria specified in this subsection (c-5).  
10 The second procurement event shall be conducted no sooner  
11 than September 30, 2022 and no later than October 31, 2022  
12 and shall be to select owners of electric generating  
13 facilities located anywhere in this State that meet the  
14 eligibility criteria specified in this subsection (c-5).  
15 The Agency shall establish and announce a time period,  
16 which shall begin no later than 30 days prior to the  
17 scheduled date for the procurement event, during which  
18 applicants may submit applications to be selected as  
19 suppliers of renewable energy credits pursuant to this  
20 subsection (c-5). The eligibility criteria for selection  
21 as a supplier of renewable energy credits pursuant to this  
22 subsection (c-5) shall be as follows:

23 (A) The applicant owns an electric generating  
24 facility located in this State that: (i) as of January  
25 1, 2016, burned coal as its primary fuel to generate  
26 electricity; and (ii) has, or had prior to retirement,

1 an electric generating capacity of at least 150  
2 megawatts. The electric generating facility can be  
3 either: (i) retired as of the date of the procurement  
4 event; or (ii) still operating as of the date of the  
5 procurement event.

6 (B) The applicant is not (i) an electric  
7 cooperative as defined in Section 3-119 of the Public  
8 Utilities Act, or (ii) an entity described in  
9 subsection (b)(1) of Section 3-105 of the Public  
10 Utilities Act, or an association or consortium of or  
11 an entity owned by entities described in (i) or (ii);  
12 and the coal-fueled electric generating facility was  
13 at one time owned, in whole or in part, by a public  
14 utility as defined in Section 3-105 of the Public  
15 Utilities Act.

16 (C) If participating in the first procurement  
17 event, the applicant proposes and commits to construct  
18 and operate, at the site, and if necessary for  
19 sufficient space on property adjacent to the existing  
20 property, at which the electric generating facility  
21 identified in paragraph (A) is located: (i) a new  
22 renewable energy facility of at least 20 megawatts but  
23 no more than 100 megawatts of electric generating  
24 capacity, and (ii) an energy storage facility having a  
25 storage capacity equal to at least 2 megawatts and at  
26 most 10 megawatts. If participating in the second



1 procurement event, the applicant proposes and commits  
2 to construct and operate, at the site, and if  
3 necessary for sufficient space on property adjacent to  
4 the existing property, at which the electric  
5 generating facility identified in paragraph (A) is  
6 located: (i) a new renewable energy facility of at  
7 least 5 megawatts but no more than 20 megawatts of  
8 electric generating capacity, and (ii) an energy  
9 storage facility having a storage capacity equal to at  
10 least 0.5 megawatts and at most one megawatt.

11 (D) The applicant agrees that the new renewable  
12 energy facility and the energy storage facility will  
13 be constructed or installed by a qualified entity or  
14 entities in compliance with the requirements of  
15 subsection (g) of Section 16-128A of the Public  
16 Utilities Act and any rules adopted thereunder.

17 (E) The applicant agrees that personnel operating  
18 the new renewable energy facility and the energy  
19 storage facility will have the requisite skills,  
20 knowledge, training, experience, and competence, which  
21 may be demonstrated by completion or current  
22 participation and ultimate completion by employees of  
23 an accredited or otherwise recognized apprenticeship  
24 program for the employee's particular craft, trade, or  
25 skill, including through training and education  
26 courses and opportunities offered by the owner to

1 employees of the coal-fueled electric generating  
2 facility or by previous employment experience  
3 performing the employee's particular work skill or  
4 function.

5 (F) The applicant commits that not less than the  
6 prevailing wage, as determined pursuant to the  
7 Prevailing Wage Act, will be paid to the applicant's  
8 employees engaged in construction activities  
9 associated with the new renewable energy facility and  
10 the new energy storage facility and to the employees  
11 of applicant's contractors engaged in construction  
12 activities associated with the new renewable energy  
13 facility and the new energy storage facility, and  
14 that, on or before the commercial operation date of  
15 the new renewable energy facility, the applicant shall  
16 file a report with the Agency certifying that the  
17 requirements of this subparagraph (F) have been met.

18 (G) The applicant commits that if selected, it  
19 will negotiate a project labor agreement for the  
20 construction of the new renewable energy facility and  
21 associated energy storage facility that includes  
22 provisions requiring the parties to the agreement to  
23 work together to establish diversity threshold  
24 requirements and to ensure best efforts to meet  
25 diversity targets, improve diversity at the applicable  
26 job site, create diverse apprenticeship opportunities,

1 and create opportunities to employ former coal-fired  
2 power plant workers.

3 (H) The applicant commits to enter into a contract  
4 or contracts for the applicable duration to provide  
5 specified numbers of renewable energy credits each  
6 year from the new renewable energy facility to  
7 electric utilities that served more than 300,000  
8 retail customers in this State as of January 1, 2019,  
9 at a price of \$30 per renewable energy credit. The  
10 price per renewable energy credit shall be fixed at  
11 \$30 for the applicable duration and the renewable  
12 energy credits shall not be indexed renewable energy  
13 credits as provided for in item (v) of subparagraph  
14 (G) of paragraph (1) of subsection (c) of Section 1-75  
15 of this Act. The applicable duration of each contract  
16 shall be 20 years, unless the applicant is physically  
17 interconnected to the PJM Interconnection, LLC  
18 transmission grid and had a generating capacity of at  
19 least 1,200 megawatts as of January 1, 2021, in which  
20 case the applicable duration of the contract shall be  
21 15 years.

22 (I) The applicant's application is certified by an  
23 officer of the applicant and by an officer of the  
24 applicant's ultimate parent company, if any.

25 (3) An applicant may submit applications to contract  
26 to supply renewable energy credits from more than one new

1 renewable energy facility to be constructed at or adjacent  
2 to one or more qualifying electric generating facilities  
3 owned by the applicant. The Agency may select new  
4 renewable energy facilities to be located at or adjacent  
5 to the sites of more than one qualifying electric  
6 generation facility owned by an applicant to contract with  
7 electric utilities to supply renewable energy credits from  
8 such facilities.

9 (4) The Agency shall assess fees to each applicant to  
10 recover the Agency's costs incurred in receiving and  
11 evaluating applications, conducting the procurement event,  
12 developing contracts for sale, delivery and purchase of  
13 renewable energy credits, and monitoring the  
14 administration of such contracts, as provided for in this  
15 subsection (c-5), including fees paid to a procurement  
16 administrator retained by the Agency for one or more of  
17 these purposes.

18 (5) The Agency shall select the applicants and the new  
19 renewable energy facilities to contract with electric  
20 utilities to supply renewable energy credits in accordance  
21 with this subsection (c-5). In the first procurement  
22 event, the Agency shall select applicants and new  
23 renewable energy facilities to supply renewable energy  
24 credits, at a price of \$30 per renewable energy credit,  
25 aggregating to no less than 400,000 renewable energy  
26 credits per year for the applicable duration, assuming

1 sufficient qualifying applications to supply, in the  
2 aggregate, at least that amount of renewable energy  
3 credits per year; and not more than 580,000 renewable  
4 energy credits per year for the applicable duration. In  
5 the second procurement event, the Agency shall select  
6 applicants and new renewable energy facilities to supply  
7 renewable energy credits, at a price of \$30 per renewable  
8 energy credit, aggregating to no more than 625,000  
9 renewable energy credits per year less the amount of  
10 renewable energy credits each year contracted for as a  
11 result of the first procurement event, for the applicable  
12 durations. The number of renewable energy credits to be  
13 procured as specified in this paragraph (5) shall not be  
14 reduced based on renewable energy credits procured in the  
15 self-direct renewable energy credit compliance program  
16 established pursuant to subparagraph (R) of paragraph (1)  
17 of subsection (c) of Section 1-75.

18 (6) The obligation to purchase renewable energy  
19 credits from the applicants and their new renewable energy  
20 facilities selected by the Agency shall be allocated to  
21 the electric utilities based on their respective  
22 percentages of kilowatthours delivered to delivery  
23 services customers to the aggregate kilowatthour  
24 deliveries by the electric utilities to delivery services  
25 customers for the year ended December 31, 2021. In order  
26 to achieve these allocation percentages between or among

1 the electric utilities, the Agency shall require each  
2 applicant that is selected in the procurement event to  
3 enter into a contract with each electric utility for the  
4 sale and purchase of renewable energy credits from each  
5 new renewable energy facility to be constructed and  
6 operated by the applicant, with the sale and purchase  
7 obligations under the contracts to aggregate to the total  
8 number of renewable energy credits per year to be supplied  
9 by the applicant from the new renewable energy facility.

10 (7) The Agency shall submit its proposed selection of  
11 applicants, new renewable energy facilities to be  
12 constructed, and renewable energy credit amounts for each  
13 procurement event to the Commission for approval. The  
14 Commission shall, within 2 business days after receipt of  
15 the Agency's proposed selections, approve the proposed  
16 selections if it determines that the applicants and the  
17 new renewable energy facilities to be constructed meet the  
18 selection criteria set forth in this subsection (c-5) and  
19 that the Agency seeks approval for contracts of applicable  
20 durations aggregating to no more than the maximum amount  
21 of renewable energy credits per year authorized by this  
22 subsection (c-5) for the procurement event, at a price of  
23 \$30 per renewable energy credit.

24 (8) The Agency, in conjunction with its procurement  
25 administrator if one is retained, the electric utilities,  
26 and potential applicants for contracts to produce and

1 supply renewable energy credits pursuant to this  
2 subsection (c-5), shall develop a standard form contract  
3 for the sale, delivery and purchase of renewable energy  
4 credits pursuant to this subsection (c-5). Each contract  
5 resulting from the first procurement event shall allow for  
6 a commercial operation date for the new renewable energy  
7 facility of either June 1, 2023 or June 1, 2024, with such  
8 dates subject to adjustment as provided in this paragraph.  
9 Each contract resulting from the second procurement event  
10 shall provide for a commercial operation date on June 1  
11 next occurring up to 48 months after execution of the  
12 contract. Each contract shall provide that the owner shall  
13 receive payments for renewable energy credits for the  
14 applicable durations beginning with the commercial  
15 operation date of the new renewable energy facility. The  
16 form contract shall provide for adjustments to the  
17 commercial operation and payment start dates as needed due  
18 to any delays in completing the procurement and  
19 contracting processes, in finalizing interconnection  
20 agreements and installing interconnection facilities, and  
21 in obtaining other necessary governmental permits and  
22 approvals. The form contract shall be, to the maximum  
23 extent possible, consistent with standard electric  
24 industry contracts for sale, delivery, and purchase of  
25 renewable energy credits while taking into account the  
26 specific requirements of this subsection (c-5). The form

1 contract shall provide for over-delivery and  
2 under-delivery of renewable energy credits within  
3 reasonable ranges during each 12-month period and penalty,  
4 default, and enforcement provisions for failure of the  
5 selling party to deliver renewable energy credits as  
6 specified in the contract and to comply with the  
7 requirements of this subsection (c-5). The standard form  
8 contract shall specify that all renewable energy credits  
9 delivered to the electric utility pursuant to the contract  
10 shall be retired. The Agency shall make the proposed  
11 contracts available for a reasonable period for comment by  
12 potential applicants, and shall publish the final form  
13 contract at least 30 days before the date of the first  
14 procurement event.

15 (9) Coal to Solar and Energy Storage Initiative  
16 Charge.

17 (A) By no later than July 1, 2022, each electric  
18 utility that served more than 300,000 retail customers  
19 in this State as of January 1, 2019 shall file a tariff  
20 with the Commission for the billing and collection of  
21 a Coal to Solar and Energy Storage Initiative Charge  
22 in accordance with subsection (i-5) of Section 16-108  
23 of the Public Utilities Act, with such tariff to be  
24 effective, following review and approval or  
25 modification by the Commission, beginning January 1,  
26 2023. The tariff shall provide for the calculation and



1 setting of the electric utility's Coal to Solar and  
2 Energy Storage Initiative Charge to collect revenues  
3 estimated to be sufficient, in the aggregate, (i) to  
4 enable the electric utility to pay for the renewable  
5 energy credits it has contracted to purchase in the  
6 delivery year beginning June 1, 2023 and each delivery  
7 year thereafter from new renewable energy facilities  
8 located at the sites of qualifying electric generating  
9 facilities, and (ii) to fund the grant payments to be  
10 made in each delivery year by the Department of  
11 Commerce and Economic Opportunity, or any successor  
12 department or agency, which shall be referred to in  
13 this subsection (c-5) as the Department, pursuant to  
14 paragraph (10) of this subsection (c-5). The electric  
15 utility's tariff shall provide for the billing and  
16 collection of the Coal to Solar and Energy Storage  
17 Initiative Charge on each kilowatthour of electricity  
18 delivered to its delivery services customers within  
19 its service territory and shall provide for an annual  
20 reconciliation of revenues collected with actual  
21 costs, in accordance with subsection (i-5) of Section  
22 16-108 of the Public Utilities Act.

23 (B) Each electric utility shall remit on a monthly  
24 basis to the State Treasurer, for deposit in the Coal  
25 to Solar and Energy Storage Initiative Fund provided  
26 for in this subsection (c-5), the electric utility's

1 collections of the Coal to Solar and Energy Storage  
2 Initiative Charge in the amount estimated to be needed  
3 by the Department for grant payments pursuant to grant  
4 contracts entered into by the Department pursuant to  
5 paragraph (10) of this subsection (c-5).

6 (10) Coal to Solar and Energy Storage Initiative Fund.

7 (A) The Coal to Solar and Energy Storage  
8 Initiative Fund is established as a special fund in  
9 the State treasury. The Coal to Solar and Energy  
10 Storage Initiative Fund is authorized to receive, by  
11 statutory deposit, that portion specified in item (B)  
12 of paragraph (9) of this subsection (c-5) of moneys  
13 collected by electric utilities through imposition of  
14 the Coal to Solar and Energy Storage Initiative Charge  
15 required by this subsection (c-5). The Coal to Solar  
16 and Energy Storage Initiative Fund shall be  
17 administered by the Department to provide grants to  
18 support the installation and operation of energy  
19 storage facilities at the sites of qualifying electric  
20 generating facilities meeting the criteria specified  
21 in this paragraph (10).

22 (B) The Coal to Solar and Energy Storage  
23 Initiative Fund shall not be subject to sweeps,  
24 administrative charges, or chargebacks, including, but  
25 not limited to, those authorized under Section 8h of  
26 the State Finance Act, that would in any way result in

1 the transfer of those funds from the Coal to Solar and  
2 Energy Storage Initiative Fund to any other fund of  
3 this State or in having any such funds utilized for any  
4 purpose other than the express purposes set forth in  
5 this paragraph (10).

6 (C) The Department shall utilize up to  
7 \$280,500,000 in the Coal to Solar and Energy Storage  
8 Initiative Fund for grants, assuming sufficient  
9 qualifying applicants, to support installation of  
10 energy storage facilities at the sites of up to 3  
11 qualifying electric generating facilities located in  
12 the Midcontinent Independent System Operator, Inc.,  
13 region in Illinois and the sites of up to 2 qualifying  
14 electric generating facilities located in the PJM  
15 Interconnection, LLC region in Illinois that meet the  
16 criteria set forth in this subparagraph (C). The  
17 criteria for receipt of a grant pursuant to this  
18 subparagraph (C) are as follows:

19 (1) the electric generating facility at the  
20 site has, or had prior to retirement, an electric  
21 generating capacity of at least 150 megawatts;

22 (2) the electric generating facility burns (or  
23 burned prior to retirement) coal as its primary  
24 source of fuel;

25 (3) if the electric generating facility is  
26 retired, it was retired subsequent to January 1,

1 2016;

2 (4) the owner of the electric generating  
3 facility has not been selected by the Agency  
4 pursuant to this subsection (c-5) of this Section  
5 to enter into a contract to sell renewable energy  
6 credits to one or more electric utilities from a  
7 new renewable energy facility located or to be  
8 located at or adjacent to the site at which the  
9 electric generating facility is located;

10 (5) the electric generating facility located  
11 at the site was at one time owned, in whole or in  
12 part, by a public utility as defined in Section  
13 3-105 of the Public Utilities Act;

14 (6) the electric generating facility at the  
15 site is not owned by (i) an electric cooperative  
16 as defined in Section 3-119 of the Public  
17 Utilities Act, or (ii) an entity described in  
18 subsection (b)(1) of Section 3-105 of the Public  
19 Utilities Act, or an association or consortium of  
20 or an entity owned by entities described in items  
21 (i) or (ii);

22 (7) the proposed energy storage facility at  
23 the site will have energy storage capacity of at  
24 least 37 megawatts;

25 (8) the owner commits to place the energy  
26 storage facility into commercial operation on

1           either June 1, 2023, June 1, 2024, or June 1, 2025,  
2           with such date subject to adjustment as needed due  
3           to any delays in completing the grant contracting  
4           process, in finalizing interconnection agreements  
5           and in installing interconnection facilities, and  
6           in obtaining necessary governmental permits and  
7           approvals;

8           (9) the owner agrees that the new energy  
9           storage facility will be constructed or installed  
10          by a qualified entity or entities consistent with  
11          the requirements of subsection (g) of Section  
12          16-128A of the Public Utilities Act and any rules  
13          adopted under that Section;

14          (10) the owner agrees that personnel operating  
15          the energy storage facility will have the  
16          requisite skills, knowledge, training, experience,  
17          and competence, which may be demonstrated by  
18          completion or current participation and ultimate  
19          completion by employees of an accredited or  
20          otherwise recognized apprenticeship program for  
21          the employee's particular craft, trade, or skill,  
22          including through training and education courses  
23          and opportunities offered by the owner to  
24          employees of the coal-fueled electric generating  
25          facility or by previous employment experience  
26          performing the employee's particular work skill or

1 function;

2 (11) the owner commits that not less than the  
3 prevailing wage, as determined pursuant to the  
4 Prevailing Wage Act, will be paid to the owner's  
5 employees engaged in construction activities  
6 associated with the new energy storage facility  
7 and to the employees of the owner's contractors  
8 engaged in construction activities associated with  
9 the new energy storage facility, and that, on or  
10 before the commercial operation date of the new  
11 energy storage facility, the owner shall file a  
12 report with the Department certifying that the  
13 requirements of this subparagraph (11) have been  
14 met; and

15 (12) the owner commits that if selected to  
16 receive a grant, it will negotiate a project labor  
17 agreement for the construction of the new energy  
18 storage facility that includes provisions  
19 requiring the parties to the agreement to work  
20 together to establish diversity threshold  
21 requirements and to ensure best efforts to meet  
22 diversity targets, improve diversity at the  
23 applicable job site, create diverse apprenticeship  
24 opportunities, and create opportunities to employ  
25 former coal-fired power plant workers.

26 The Department shall accept applications for this

1 grant program until March 31, 2022 and shall announce  
2 the award of grants no later than June 1, 2022. The  
3 Department shall make the grant payments to a  
4 recipient in equal annual amounts for 10 years  
5 following the date the energy storage facility is  
6 placed into commercial operation. The annual grant  
7 payments to a qualifying energy storage facility shall  
8 be \$110,000 per megawatt of energy storage capacity,  
9 with total annual grant payments pursuant to this  
10 subparagraph (C) for qualifying energy storage  
11 facilities not to exceed \$28,050,000 in any year.

12 (D) Grants of funding for energy storage  
13 facilities pursuant to subparagraph (C) of this  
14 paragraph (10), from the Coal to Solar and Energy  
15 Storage Initiative Fund, shall be memorialized in  
16 grant contracts between the Department and the  
17 recipient. The grant contracts shall specify the date  
18 or dates in each year on which the annual grant  
19 payments shall be paid.

20 (E) All disbursements from the Coal to Solar and  
21 Energy Storage Initiative Fund shall be made only upon  
22 warrants of the Comptroller drawn upon the Treasurer  
23 as custodian of the Fund upon vouchers signed by the  
24 Director of the Department or by the person or persons  
25 designated by the Director of the Department for that  
26 purpose. The Comptroller is authorized to draw the

1 warrants upon vouchers so signed. The Treasurer shall  
2 accept all written warrants so signed and shall be  
3 released from liability for all payments made on those  
4 warrants.

5 (11) Diversity, equity, and inclusion plans.

6 (A) Each applicant selected in a procurement event  
7 to contract to supply renewable energy credits in  
8 accordance with this subsection (c-5) and each owner  
9 selected by the Department to receive a grant or  
10 grants to support the construction and operation of a  
11 new energy storage facility or facilities in  
12 accordance with this subsection (c-5) shall, within 60  
13 days following the Commission's approval of the  
14 applicant to contract to supply renewable energy  
15 credits or within 60 days following execution of a  
16 grant contract with the Department, as applicable,  
17 submit to the Commission a diversity, equity, and  
18 inclusion plan setting forth the applicant's or  
19 owner's numeric goals for the diversity composition of  
20 its supplier entities for the new renewable energy  
21 facility or new energy storage facility, as  
22 applicable, which shall be referred to for purposes of  
23 this paragraph (11) as the project, and the  
24 applicant's or owner's action plan and schedule for  
25 achieving those goals.

26 (B) For purposes of this paragraph (11), diversity



1 composition shall be based on the percentage, which  
2 shall be a minimum of 25%, of eligible expenditures  
3 for contract awards for materials and services (which  
4 shall be defined in the plan) to business enterprises  
5 owned by minority persons, women, or persons with  
6 disabilities as defined in Section 2 of the Business  
7 Enterprise for Minorities, Women, and Persons with  
8 Disabilities Act, to LGBTQ business enterprises, to  
9 veteran-owned business enterprises, and to business  
10 enterprises located in environmental justice  
11 communities. The diversity composition goals of the  
12 plan may include eligible expenditures in areas for  
13 vendor or supplier opportunities in addition to  
14 development and construction of the project, and may  
15 exclude from eligible expenditures materials and  
16 services with limited market availability, limited  
17 production and availability from suppliers in the  
18 United States, such as solar panels and storage  
19 batteries, and material and services that are subject  
20 to critical energy infrastructure or cybersecurity  
21 requirements or restrictions. The plan may provide  
22 that the diversity composition goals may be met  
23 through Tier 1 Direct or Tier 2 subcontracting  
24 expenditures or a combination thereof for the project.

25 (C) The plan shall provide for, but not be limited  
26 to: (i) internal initiatives, including multi-tier

1 initiatives, by the applicant or owner, or by its  
2 engineering, procurement and construction contractor  
3 if one is used for the project, which for purposes of  
4 this paragraph (11) shall be referred to as the EPC  
5 contractor, to enable diverse businesses to be  
6 considered fairly for selection to provide materials  
7 and services; (ii) requirements for the applicant or  
8 owner or its EPC contractor to proactively solicit and  
9 utilize diverse businesses to provide materials and  
10 services; and (iii) requirements for the applicant or  
11 owner or its EPC contractor to hire a diverse  
12 workforce for the project. The plan shall include a  
13 description of the applicant's or owner's diversity  
14 recruiting efforts both for the project and for other  
15 areas of the applicant's or owner's business  
16 operations. The plan shall provide for the imposition  
17 of financial penalties on the applicant's or owner's  
18 EPC contractor for failure to exercise best efforts to  
19 comply with and execute the EPC contractor's diversity  
20 obligations under the plan. The plan may provide for  
21 the applicant or owner to set aside a portion of the  
22 work on the project to serve as an incubation program  
23 for qualified businesses, as specified in the plan,  
24 owned by minority persons, women, persons with  
25 disabilities, LGBTQ persons, and veterans, and  
26 businesses located in environmental justice

1 communities, seeking to enter the renewable energy  
2 industry.

3 (D) The applicant or owner may submit a revised or  
4 updated plan to the Commission from time to time as  
5 circumstances warrant. The applicant or owner shall  
6 file annual reports with the Commission detailing the  
7 applicant's or owner's progress in implementing its  
8 plan and achieving its goals and any modifications the  
9 applicant or owner has made to its plan to better  
10 achieve its diversity, equity and inclusion goals. The  
11 applicant or owner shall file a final report on the  
12 fifth June 1 following the commercial operation date  
13 of the new renewable energy resource or new energy  
14 storage facility, but the applicant or owner shall  
15 thereafter continue to be subject to applicable  
16 reporting requirements of Section 5-117 of the Public  
17 Utilities Act.

18 (c-10) Equity accountability system. It is the purpose of  
19 this subsection (c-10) to create an equity accountability  
20 system, which includes the minimum equity standards for all  
21 renewable energy procurements, the equity category of the  
22 Adjustable Block Program, and the equity prioritization for  
23 noncompetitive procurements, that is successful in advancing  
24 priority access to the clean energy economy for businesses and  
25 workers from communities that have been excluded from economic  
26 opportunities in the energy sector, have been subject to

1 disproportionate levels of pollution, and have  
2 disproportionately experienced negative public health  
3 outcomes. Further, it is the purpose of this subsection to  
4 ensure that this equity accountability system is successful in  
5 advancing equity across Illinois by providing access to the  
6 clean energy economy for businesses and workers from  
7 communities that have been historically excluded from economic  
8 opportunities in the energy sector, have been subject to  
9 disproportionate levels of pollution, and have  
10 disproportionately experienced negative public health  
11 outcomes.

12 (1) Minimum equity standards. The Agency shall create  
13 programs with the purpose of increasing access to and  
14 development of equity eligible contractors, who are prime  
15 contractors and subcontractors, across all of the programs  
16 it manages. All applications for renewable energy credit  
17 procurements shall comply with specific minimum equity  
18 commitments. Starting in the delivery year immediately  
19 following the next long-term renewable resources  
20 procurement plan, at least 10% of the project workforce  
21 for each entity participating in a procurement program  
22 outlined in this subsection (c-10) must be done by equity  
23 eligible persons or equity eligible contractors. The  
24 Agency shall increase the minimum percentage each delivery  
25 year thereafter by increments that ensure a statewide  
26 average of 30% of the project workforce for each entity

1 participating in a procurement program is done by equity  
2 eligible persons or equity eligible contractors by 2030.  
3 The Agency shall propose a schedule of percentage  
4 increases to the minimum equity standards in its draft  
5 revised renewable energy resources procurement plan  
6 submitted to the Commission for approval pursuant to  
7 paragraph (5) of subsection (b) of Section 16-111.5 of the  
8 Public Utilities Act. In determining these annual  
9 increases, the Agency shall have the discretion to  
10 establish different minimum equity standards for different  
11 types of procurements and different regions of the State  
12 if the Agency finds that doing so will further the  
13 purposes of this subsection (c-10). The proposed schedule  
14 of annual increases shall be revisited and updated on an  
15 annual basis. Revisions shall be developed with  
16 stakeholder input, including from equity eligible persons,  
17 equity eligible contractors, clean energy industry  
18 representatives, and community-based organizations that  
19 work with such persons and contractors.

20 (A) At the start of each delivery year, the Agency  
21 shall require a compliance plan from each entity  
22 participating in a procurement program of subsection  
23 (c) of this Section that demonstrates how they will  
24 achieve compliance with the minimum equity standard  
25 percentage for work completed in that delivery year.  
26 If an entity applies for its approved vendor or

1           designee status between delivery years, the Agency  
2           shall require a compliance plan at the time of  
3           application.

4           (B) Halfway through each delivery year, the Agency  
5           shall require each entity participating in a  
6           procurement program to confirm that it will achieve  
7           compliance in that delivery year, when applicable. The  
8           Agency may offer corrective action plans to entities  
9           that are not on track to achieve compliance.

10          (C) At the end of each delivery year, each entity  
11          participating and completing work in that delivery  
12          year in a procurement program of subsection (c) shall  
13          submit a report to the Agency that demonstrates how it  
14          achieved compliance with the minimum equity standards  
15          percentage for that delivery year.

16          (D) The Agency shall prohibit participation in  
17          procurement programs by an approved vendor or  
18          designee, as applicable, or entities with which an  
19          approved vendor or designee, as applicable, shares a  
20          common parent company if an approved vendor or  
21          designee, as applicable, failed to meet the minimum  
22          equity standards for the prior delivery year. Waivers  
23          approved for lack of equity eligible persons or equity  
24          eligible contractors in a geographic area of a project  
25          shall not count against the approved vendor or  
26          designee. The Agency shall offer a corrective action

1 plan for any such entities to assist them in obtaining  
2 compliance and shall allow continued access to  
3 procurement programs upon an approved vendor or  
4 designee demonstrating compliance.

5 (E) The Agency shall pursue efficiencies achieved  
6 by combining with other approved vendor or designee  
7 reporting.

8 (2) Equity accountability system within the Adjustable  
9 Block program. The equity category described in item (vi)  
10 of subparagraph (K) of subsection (c) is only available to  
11 applicants that are equity eligible contractors.

12 (3) Equity accountability system within competitive  
13 procurements. Through its long-term renewable resources  
14 procurement plan, the Agency shall develop requirements  
15 for ensuring that competitive procurement processes,  
16 including utility-scale solar, utility-scale wind, and  
17 brownfield site photovoltaic projects, advance the equity  
18 goals of this subsection (c-10). Subject to Commission  
19 approval, the Agency shall develop bid application  
20 requirements and a bid evaluation methodology for ensuring  
21 that utilization of equity eligible contractors, whether  
22 as bidders or as participants on project development, is  
23 optimized, including requiring that winning or successful  
24 applicants for utility-scale projects are or will partner  
25 with equity eligible contractors and giving preference to  
26 bids through which a higher portion of contract value

1 flows to equity eligible contractors. To the extent  
2 practicable, entities participating in competitive  
3 procurements shall also be required to meet all the equity  
4 accountability requirements for approved vendors and their  
5 designees under this subsection (c-10). In developing  
6 these requirements, the Agency shall also consider whether  
7 equity goals can be further advanced through additional  
8 measures.

9 (4) In the first revision to the long-term renewable  
10 energy resources procurement plan and each revision  
11 thereafter, the Agency shall include the following:

12 (A) The current status and number of equity  
13 eligible contractors listed in the Energy Workforce  
14 Equity Database designed in subsection (c-25),  
15 including the number of equity eligible contractors  
16 with current certifications as issued by the Agency.

17 (B) A mechanism for measuring, tracking, and  
18 reporting project workforce at the approved vendor or  
19 designee level, as applicable, which shall include a  
20 measurement methodology and records to be made  
21 available for audit by the Agency or the Program  
22 Administrator.

23 (C) A program for approved vendors, designees,  
24 eligible persons, and equity eligible contractors to  
25 receive trainings, guidance, and other support from  
26 the Agency or its designee regarding the equity



1 category outlined in item (vi) of subparagraph (K) of  
2 paragraph (1) of subsection (c) and in meeting the  
3 minimum equity standards of this subsection (c-10).

4 (D) A process for certifying equity eligible  
5 contractors and equity eligible persons. The  
6 certification process shall coordinate with the Energy  
7 Workforce Equity Database set forth in subsection  
8 (c-25).

9 (E) An application for waiver of the minimum  
10 equity standards of this subsection, which the Agency  
11 shall have the discretion to grant in rare  
12 circumstances. The Agency may grant such a waiver  
13 where the applicant provides evidence of significant  
14 efforts toward meeting the minimum equity commitment,  
15 including: use of the Energy Workforce Equity  
16 Database; efforts to hire or contract with entities  
17 that hire eligible persons; and efforts to establish  
18 contracting relationships with eligible contractors.  
19 The Agency shall support applicants in understanding  
20 the Energy Workforce Equity Database and other  
21 resources for pursuing compliance of the minimum  
22 equity standards. Waivers shall be project-specific,  
23 unless the Agency deems it necessary to grant a waiver  
24 across a portfolio of projects, and in effect for no  
25 longer than one year. Any waiver extension or  
26 subsequent waiver request from an applicant shall be

1 subject to the requirements of this Section and shall  
2 specify efforts made to reach compliance. When  
3 considering whether to grant a waiver, and to what  
4 extent, the Agency shall consider the degree to which  
5 similarly situated applicants have been able to meet  
6 these minimum equity commitments. For repeated waiver  
7 requests for specific lack of eligible persons or  
8 eligible contractors available, the Agency shall make  
9 recommendations to target recruitment to add such  
10 eligible persons or eligible contractors to the  
11 database.

12 (5) The Agency shall collect information about work on  
13 projects or portfolios of projects subject to these  
14 minimum equity standards to ensure compliance with this  
15 subsection (c-10). Reporting in furtherance of this  
16 requirement may be combined with other annual reporting  
17 requirements. Such reporting shall include proof of  
18 certification of each equity eligible contractor or equity  
19 eligible person during the applicable time period.

20 (6) The Agency shall keep confidential all information  
21 and communication that provides private or personal  
22 information.

23 (7) Modifications to the equity accountability system.  
24 As part of the update of the long-term renewable resources  
25 procurement plan to be initiated in 2023, or sooner if the  
26 Agency deems necessary, the Agency shall determine the

1 extent to which the equity accountability system described  
2 in this subsection (c-10) has advanced the goals of this  
3 amendatory Act of the 102nd General Assembly, including  
4 through the inclusion of equity eligible persons and  
5 equity eligible contractors in renewable energy credit  
6 projects. If the Agency finds that the equity  
7 accountability system has failed to meet those goals to  
8 its fullest potential, the Agency may revise the following  
9 criteria for future Agency procurements: (A) the  
10 percentage of project workforce, or other appropriate  
11 workforce measure, certified as equity eligible persons or  
12 equity eligible contractors; (B) definitions for equity  
13 investment eligible persons and equity investment eligible  
14 community; and (C) such other modifications necessary to  
15 advance the goals of this amendatory Act of the 102nd  
16 General Assembly effectively. Such revised criteria may  
17 also establish distinct equity accountability systems for  
18 different types of procurements or different regions of  
19 the State if the Agency finds that doing so will further  
20 the purposes of such programs. Revisions shall be  
21 developed with stakeholder input, including from equity  
22 eligible persons, equity eligible contractors, and  
23 community-based organizations that work with such persons  
24 and contractors.

25 (c-15) Racial discrimination elimination powers and  
26 process.

1           (1) Purpose. It is the purpose of this subsection to  
2 empower the Agency and other State actors to remedy racial  
3 discrimination in Illinois' clean energy economy as  
4 effectively and expediently as possible, including through  
5 the use of race-conscious remedies, such as race-conscious  
6 contracting and hiring goals, as consistent with State and  
7 federal law.

8           (2) Racial disparity and discrimination review  
9 process.

10           (A) Within one year after awarding contracts using  
11 the equity actions processes established in this  
12 Section, the Agency shall publish a report evaluating  
13 the effectiveness of the equity actions point criteria  
14 of this Section in increasing participation of equity  
15 eligible persons and equity eligible contractors. The  
16 report shall disaggregate participating workers and  
17 contractors by race and ethnicity. The report shall be  
18 forwarded to the Governor, the General Assembly, and  
19 the Illinois Commerce Commission and be made available  
20 to the public.

21           (B) As soon as is practicable thereafter, the  
22 Agency, in consultation with the Department of  
23 Commerce and Economic Opportunity, Department of  
24 Labor, and other agencies that may be relevant, shall  
25 commission and publish a disparity and availability  
26 study that measures the presence and impact of

1 discrimination on minority businesses and workers in  
2 Illinois' clean energy economy. The Agency may hire  
3 consultants and experts to conduct the disparity and  
4 availability study, with the retention of those  
5 consultants and experts exempt from the requirements  
6 of Section 20-10 of the Illinois Procurement Code. The  
7 Illinois Power Agency shall forward a copy of its  
8 findings and recommendations to the Governor, the  
9 General Assembly, and the Illinois Commerce  
10 Commission. If the disparity and availability study  
11 establishes a strong basis in evidence that there is  
12 discrimination in Illinois' clean energy economy, the  
13 Agency, Department of Commerce and Economic  
14 Opportunity, Department of Labor, Department of  
15 Corrections, and other appropriate agencies shall take  
16 appropriate remedial actions, including race-conscious  
17 remedial actions as consistent with State and federal  
18 law, to effectively remedy this discrimination. Such  
19 remedies may include modification of the equity  
20 accountability system as described in subsection  
21 (c-10).

22 (c-20) Program data collection.

23 (1) Purpose. Data collection, data analysis, and  
24 reporting are critical to ensure that the benefits of the  
25 clean energy economy provided to Illinois residents and  
26 businesses are equitably distributed across the State. The

1 Agency shall collect data from program applicants in order  
2 to track and improve equitable distribution of benefits  
3 across Illinois communities for all procurements the  
4 Agency conducts. The Agency shall use this data to, among  
5 other things, measure any potential impact of racial  
6 discrimination on the distribution of benefits and provide  
7 information necessary to correct any discrimination  
8 through methods consistent with State and federal law.

9 (2) Agency collection of program data. The Agency  
10 shall collect demographic and geographic data for each  
11 entity awarded contracts under any Agency-administered  
12 program.

13 (3) Required information to be collected. The Agency  
14 shall collect the following information from applicants  
15 and program participants where applicable:

16 (A) demographic information, including racial or  
17 ethnic identity for real persons employed, contracted,  
18 or subcontracted through the program and owners of  
19 businesses or entities that apply to receive renewable  
20 energy credits from the Agency;

21 (B) geographic location of the residency of real  
22 persons employed, contracted, or subcontracted through  
23 the program and geographic location of the  
24 headquarters of the business or entity that applies to  
25 receive renewable energy credits from the Agency; and

26 (C) any other information the Agency determines is

1           necessary for the purpose of achieving the purpose of  
2           this subsection.

3           (4) Publication of collected information. The Agency  
4           shall publish, at least annually, information on the  
5           demographics of program participants on an aggregate  
6           basis.

7           (5) Nothing in this subsection shall be interpreted to  
8           limit the authority of the Agency, or other agency or  
9           department of the State, to require or collect demographic  
10          information from applicants of other State programs.

11          (c-25) Energy Workforce Equity Database.

12           (1) The Agency, in consultation with the Department of  
13          Commerce and Economic Opportunity, shall create an Energy  
14          Workforce Equity Database, and may contract with a third  
15          party to do so ("database program administrator"). If the  
16          Department decides to contract with a third party, that  
17          third party shall be exempt from the requirements of  
18          Section 20-10 of the Illinois Procurement Code. The Energy  
19          Workforce Equity Database shall be a searchable database  
20          of suppliers, vendors, and subcontractors for clean energy  
21          industries that is:

22                   (A) publicly accessible;

23                   (B) easy for people to find and use;

24                   (C) organized by company specialty or field;

25                   (D) region-specific; and

26                   (E) populated with information including, but not

1 limited to, contacts for suppliers, vendors, or  
2 subcontractors who are minority and women-owned  
3 business enterprise certified or who participate or  
4 have participated in any of the programs described in  
5 this Act.

6 (2) The Agency shall create an easily accessible,  
7 public facing online tool using the database information  
8 that includes, at a minimum, the following:

9 (A) a map of environmental justice and equity  
10 investment eligible communities;

11 (B) job postings and recruiting opportunities;

12 (C) a means by which recruiting clean energy  
13 companies can find and interact with current or former  
14 participants of clean energy workforce training  
15 programs;

16 (D) information on workforce training service  
17 providers and training opportunities available to  
18 prospective workers;

19 (E) renewable energy company diversity reporting;

20 (F) a list of equity eligible contractors with  
21 their contact information, types of work performed,  
22 and locations worked in;

23 (G) reporting on outcomes of the programs  
24 described in the workforce programs of the Energy  
25 Transition Act, including information such as, but not  
26 limited to, retention rate, graduation rate, and



1 placement rates of trainees; and

2 (H) information about the Jobs and Environmental  
3 Justice Grant Program, the Clean Energy Jobs and  
4 Justice Fund, and other sources of capital.

5 (3) The Agency shall ensure the database is regularly  
6 updated to ensure information is current and shall  
7 coordinate with the Department of Commerce and Economic  
8 Opportunity to ensure that it includes information on  
9 individuals and entities that are or have participated in  
10 the Clean Jobs Workforce Network Program, Clean Energy  
11 Contractor Incubator Program, Returning Residents Clean  
12 Jobs Training Program, or Clean Energy Primes Contractor  
13 Accelerator Program.

14 (c-30) Enforcement of minimum equity standards. All  
15 entities seeking renewable energy credits must submit an  
16 annual report to demonstrate compliance with each of the  
17 equity commitments required under subsection (c-10). If the  
18 Agency concludes the entity has not met or maintained its  
19 minimum equity standards required under the applicable  
20 subparagraphs under subsection (c-10), the Agency shall deny  
21 the entity's ability to participate in procurement programs in  
22 subsection (c), including by withholding approved vendor or  
23 designee status. The Agency may require the entity to enter  
24 into a corrective action plan. An entity that is not  
25 recertified for failing to meet required equity actions in  
26 subparagraph (c-10) may reapply once they have a corrective

1 action plan and achieve compliance with the minimum equity  
2 standards.

3 (d) Clean coal portfolio standard.

4 (1) The procurement plans shall include electricity  
5 generated using clean coal. Each utility shall enter into  
6 one or more sourcing agreements with the initial clean  
7 coal facility, as provided in paragraph (3) of this  
8 subsection (d), covering electricity generated by the  
9 initial clean coal facility representing at least 5% of  
10 each utility's total supply to serve the load of eligible  
11 retail customers in 2015 and each year thereafter, as  
12 described in paragraph (3) of this subsection (d), subject  
13 to the limits specified in paragraph (2) of this  
14 subsection (d). It is the goal of the State that by January  
15 1, 2025, 25% of the electricity used in the State shall be  
16 generated by cost-effective clean coal facilities. For  
17 purposes of this subsection (d), "cost-effective" means  
18 that the expenditures pursuant to such sourcing agreements  
19 do not cause the limit stated in paragraph (2) of this  
20 subsection (d) to be exceeded and do not exceed cost-based  
21 benchmarks, which shall be developed to assess all  
22 expenditures pursuant to such sourcing agreements covering  
23 electricity generated by clean coal facilities, other than  
24 the initial clean coal facility, by the procurement  
25 administrator, in consultation with the Commission staff,  
26 Agency staff, and the procurement monitor and shall be

1 subject to Commission review and approval.

2 A utility party to a sourcing agreement shall  
3 immediately retire any emission credits that it receives  
4 in connection with the electricity covered by such  
5 agreement.

6 Utilities shall maintain adequate records documenting  
7 the purchases under the sourcing agreement to comply with  
8 this subsection (d) and shall file an accounting with the  
9 load forecast that must be filed with the Agency by July 15  
10 of each year, in accordance with subsection (d) of Section  
11 16-111.5 of the Public Utilities Act.

12 A utility shall be deemed to have complied with the  
13 clean coal portfolio standard specified in this subsection  
14 (d) if the utility enters into a sourcing agreement as  
15 required by this subsection (d).

16 (2) For purposes of this subsection (d), the required  
17 execution of sourcing agreements with the initial clean  
18 coal facility for a particular year shall be measured as a  
19 percentage of the actual amount of electricity  
20 (megawatt-hours) supplied by the electric utility to  
21 eligible retail customers in the planning year ending  
22 immediately prior to the agreement's execution. For  
23 purposes of this subsection (d), the amount paid per  
24 kilowatthour means the total amount paid for electric  
25 service expressed on a per kilowatthour basis. For  
26 purposes of this subsection (d), the total amount paid for

1 electric service includes without limitation amounts paid  
2 for supply, transmission, distribution, surcharges and  
3 add-on taxes.

4 Notwithstanding the requirements of this subsection  
5 (d), the total amount paid under sourcing agreements with  
6 clean coal facilities pursuant to the procurement plan for  
7 any given year shall be reduced by an amount necessary to  
8 limit the annual estimated average net increase due to the  
9 costs of these resources included in the amounts paid by  
10 eligible retail customers in connection with electric  
11 service to:

12 (A) in 2010, no more than 0.5% of the amount paid  
13 per kilowatthour by those customers during the year  
14 ending May 31, 2009;

15 (B) in 2011, the greater of an additional 0.5% of  
16 the amount paid per kilowatthour by those customers  
17 during the year ending May 31, 2010 or 1% of the amount  
18 paid per kilowatthour by those customers during the  
19 year ending May 31, 2009;

20 (C) in 2012, the greater of an additional 0.5% of  
21 the amount paid per kilowatthour by those customers  
22 during the year ending May 31, 2011 or 1.5% of the  
23 amount paid per kilowatthour by those customers during  
24 the year ending May 31, 2009;

25 (D) in 2013, the greater of an additional 0.5% of  
26 the amount paid per kilowatthour by those customers

1 during the year ending May 31, 2012 or 2% of the amount  
2 paid per kilowatthour by those customers during the  
3 year ending May 31, 2009; and

4 (E) thereafter, the total amount paid under  
5 sourcing agreements with clean coal facilities  
6 pursuant to the procurement plan for any single year  
7 shall be reduced by an amount necessary to limit the  
8 estimated average net increase due to the cost of  
9 these resources included in the amounts paid by  
10 eligible retail customers in connection with electric  
11 service to no more than the greater of (i) 2.015% of  
12 the amount paid per kilowatthour by those customers  
13 during the year ending May 31, 2009 or (ii) the  
14 incremental amount per kilowatthour paid for these  
15 resources in 2013. These requirements may be altered  
16 only as provided by statute.

17 No later than June 30, 2015, the Commission shall  
18 review the limitation on the total amount paid under  
19 sourcing agreements, if any, with clean coal facilities  
20 pursuant to this subsection (d) and report to the General  
21 Assembly its findings as to whether that limitation unduly  
22 constrains the amount of electricity generated by  
23 cost-effective clean coal facilities that is covered by  
24 sourcing agreements.

25 (3) Initial clean coal facility. In order to promote  
26 development of clean coal facilities in Illinois, each

1 electric utility subject to this Section shall execute a  
2 sourcing agreement to source electricity from a proposed  
3 clean coal facility in Illinois (the "initial clean coal  
4 facility") that will have a nameplate capacity of at least  
5 500 MW when commercial operation commences, that has a  
6 final Clean Air Act permit on June 1, 2009 (the effective  
7 date of Public Act 95-1027), and that will meet the  
8 definition of clean coal facility in Section 1-10 of this  
9 Act when commercial operation commences. The sourcing  
10 agreements with this initial clean coal facility shall be  
11 subject to both approval of the initial clean coal  
12 facility by the General Assembly and satisfaction of the  
13 requirements of paragraph (4) of this subsection (d) and  
14 shall be executed within 90 days after any such approval  
15 by the General Assembly. The Agency and the Commission  
16 shall have authority to inspect all books and records  
17 associated with the initial clean coal facility during the  
18 term of such a sourcing agreement. A utility's sourcing  
19 agreement for electricity produced by the initial clean  
20 coal facility shall include:

21 (A) a formula contractual price (the "contract  
22 price") approved pursuant to paragraph (4) of this  
23 subsection (d), which shall:

24 (i) be determined using a cost of service  
25 methodology employing either a level or deferred  
26 capital recovery component, based on a capital

1 structure consisting of 45% equity and 55% debt,  
2 and a return on equity as may be approved by the  
3 Federal Energy Regulatory Commission, which in any  
4 case may not exceed the lower of 11.5% or the rate  
5 of return approved by the General Assembly  
6 pursuant to paragraph (4) of this subsection (d);  
7 and

8 (ii) provide that all miscellaneous net  
9 revenue, including but not limited to net revenue  
10 from the sale of emission allowances, if any,  
11 substitute natural gas, if any, grants or other  
12 support provided by the State of Illinois or the  
13 United States Government, firm transmission  
14 rights, if any, by-products produced by the  
15 facility, energy or capacity derived from the  
16 facility and not covered by a sourcing agreement  
17 pursuant to paragraph (3) of this subsection (d)  
18 or item (5) of subsection (d) of Section 16-115 of  
19 the Public Utilities Act, whether generated from  
20 the synthesis gas derived from coal, from SNG, or  
21 from natural gas, shall be credited against the  
22 revenue requirement for this initial clean coal  
23 facility;

24 (B) power purchase provisions, which shall:

25 (i) provide that the utility party to such  
26 sourcing agreement shall pay the contract price

1 for electricity delivered under such sourcing  
2 agreement;

3 (ii) require delivery of electricity to the  
4 regional transmission organization market of the  
5 utility that is party to such sourcing agreement;

6 (iii) require the utility party to such  
7 sourcing agreement to buy from the initial clean  
8 coal facility in each hour an amount of energy  
9 equal to all clean coal energy made available from  
10 the initial clean coal facility during such hour  
11 times a fraction, the numerator of which is such  
12 utility's retail market sales of electricity  
13 (expressed in kilowatthours sold) in the State  
14 during the prior calendar month and the  
15 denominator of which is the total retail market  
16 sales of electricity (expressed in kilowatthours  
17 sold) in the State by utilities during such prior  
18 month and the sales of electricity (expressed in  
19 kilowatthours sold) in the State by alternative  
20 retail electric suppliers during such prior month  
21 that are subject to the requirements of this  
22 subsection (d) and paragraph (5) of subsection (d)  
23 of Section 16-115 of the Public Utilities Act,  
24 provided that the amount purchased by the utility  
25 in any year will be limited by paragraph (2) of  
26 this subsection (d); and



1 (iv) be considered pre-existing contracts in  
2 such utility's procurement plans for eligible  
3 retail customers;

4 (C) contract for differences provisions, which  
5 shall:

6 (i) require the utility party to such sourcing  
7 agreement to contract with the initial clean coal  
8 facility in each hour with respect to an amount of  
9 energy equal to all clean coal energy made  
10 available from the initial clean coal facility  
11 during such hour times a fraction, the numerator  
12 of which is such utility's retail market sales of  
13 electricity (expressed in kilowatthours sold) in  
14 the utility's service territory in the State  
15 during the prior calendar month and the  
16 denominator of which is the total retail market  
17 sales of electricity (expressed in kilowatthours  
18 sold) in the State by utilities during such prior  
19 month and the sales of electricity (expressed in  
20 kilowatthours sold) in the State by alternative  
21 retail electric suppliers during such prior month  
22 that are subject to the requirements of this  
23 subsection (d) and paragraph (5) of subsection (d)  
24 of Section 16-115 of the Public Utilities Act,  
25 provided that the amount paid by the utility in  
26 any year will be limited by paragraph (2) of this

1 subsection (d);

2 (ii) provide that the utility's payment  
3 obligation in respect of the quantity of  
4 electricity determined pursuant to the preceding  
5 clause (i) shall be limited to an amount equal to  
6 (1) the difference between the contract price  
7 determined pursuant to subparagraph (A) of  
8 paragraph (3) of this subsection (d) and the  
9 day-ahead price for electricity delivered to the  
10 regional transmission organization market of the  
11 utility that is party to such sourcing agreement  
12 (or any successor delivery point at which such  
13 utility's supply obligations are financially  
14 settled on an hourly basis) (the "reference  
15 price") on the day preceding the day on which the  
16 electricity is delivered to the initial clean coal  
17 facility busbar, multiplied by (2) the quantity of  
18 electricity determined pursuant to the preceding  
19 clause (i); and

20 (iii) not require the utility to take physical  
21 delivery of the electricity produced by the  
22 facility;

23 (D) general provisions, which shall:

24 (i) specify a term of no more than 30 years,  
25 commencing on the commercial operation date of the  
26 facility;

1           (ii) provide that utilities shall maintain  
2 adequate records documenting purchases under the  
3 sourcing agreements entered into to comply with  
4 this subsection (d) and shall file an accounting  
5 with the load forecast that must be filed with the  
6 Agency by July 15 of each year, in accordance with  
7 subsection (d) of Section 16-111.5 of the Public  
8 Utilities Act;

9           (iii) provide that all costs associated with  
10 the initial clean coal facility will be  
11 periodically reported to the Federal Energy  
12 Regulatory Commission and to purchasers in  
13 accordance with applicable laws governing  
14 cost-based wholesale power contracts;

15           (iv) permit the Illinois Power Agency to  
16 assume ownership of the initial clean coal  
17 facility, without monetary consideration and  
18 otherwise on reasonable terms acceptable to the  
19 Agency, if the Agency so requests no less than 3  
20 years prior to the end of the stated contract  
21 term;

22           (v) require the owner of the initial clean  
23 coal facility to provide documentation to the  
24 Commission each year, starting in the facility's  
25 first year of commercial operation, accurately  
26 reporting the quantity of carbon emissions from

1 the facility that have been captured and  
2 sequestered and report any quantities of carbon  
3 released from the site or sites at which carbon  
4 emissions were sequestered in prior years, based  
5 on continuous monitoring of such sites. If, in any  
6 year after the first year of commercial operation,  
7 the owner of the facility fails to demonstrate  
8 that the initial clean coal facility captured and  
9 sequestered at least 50% of the total carbon  
10 emissions that the facility would otherwise emit  
11 or that sequestration of emissions from prior  
12 years has failed, resulting in the release of  
13 carbon dioxide into the atmosphere, the owner of  
14 the facility must offset excess emissions. Any  
15 such carbon offsets must be permanent, additional,  
16 verifiable, real, located within the State of  
17 Illinois, and legally and practicably enforceable.  
18 The cost of such offsets for the facility that are  
19 not recoverable shall not exceed \$15 million in  
20 any given year. No costs of any such purchases of  
21 carbon offsets may be recovered from a utility or  
22 its customers. All carbon offsets purchased for  
23 this purpose and any carbon emission credits  
24 associated with sequestration of carbon from the  
25 facility must be permanently retired. The initial  
26 clean coal facility shall not forfeit its

1 designation as a clean coal facility if the  
2 facility fails to fully comply with the applicable  
3 carbon sequestration requirements in any given  
4 year, provided the requisite offsets are  
5 purchased. However, the Attorney General, on  
6 behalf of the People of the State of Illinois, may  
7 specifically enforce the facility's sequestration  
8 requirement and the other terms of this contract  
9 provision. Compliance with the sequestration  
10 requirements and offset purchase requirements  
11 specified in paragraph (3) of this subsection (d)  
12 shall be reviewed annually by an independent  
13 expert retained by the owner of the initial clean  
14 coal facility, with the advance written approval  
15 of the Attorney General. The Commission may, in  
16 the course of the review specified in item (vii),  
17 reduce the allowable return on equity for the  
18 facility if the facility willfully fails to comply  
19 with the carbon capture and sequestration  
20 requirements set forth in this item (v);

21 (vi) include limits on, and accordingly  
22 provide for modification of, the amount the  
23 utility is required to source under the sourcing  
24 agreement consistent with paragraph (2) of this  
25 subsection (d);

26 (vii) require Commission review: (1) to

1 determine the justness, reasonableness, and  
2 prudence of the inputs to the formula referenced  
3 in subparagraphs (A)(i) through (A)(iii) of  
4 paragraph (3) of this subsection (d), prior to an  
5 adjustment in those inputs including, without  
6 limitation, the capital structure and return on  
7 equity, fuel costs, and other operations and  
8 maintenance costs and (2) to approve the costs to  
9 be passed through to customers under the sourcing  
10 agreement by which the utility satisfies its  
11 statutory obligations. Commission review shall  
12 occur no less than every 3 years, regardless of  
13 whether any adjustments have been proposed, and  
14 shall be completed within 9 months;

15 (viii) limit the utility's obligation to such  
16 amount as the utility is allowed to recover  
17 through tariffs filed with the Commission,  
18 provided that neither the clean coal facility nor  
19 the utility waives any right to assert federal  
20 pre-emption or any other argument in response to a  
21 purported disallowance of recovery costs;

22 (ix) limit the utility's or alternative retail  
23 electric supplier's obligation to incur any  
24 liability until such time as the facility is in  
25 commercial operation and generating power and  
26 energy and such power and energy is being

1 delivered to the facility busbar;

2 (x) provide that the owner or owners of the  
3 initial clean coal facility, which is the  
4 counterparty to such sourcing agreement, shall  
5 have the right from time to time to elect whether  
6 the obligations of the utility party thereto shall  
7 be governed by the power purchase provisions or  
8 the contract for differences provisions;

9 (xi) append documentation showing that the  
10 formula rate and contract, insofar as they relate  
11 to the power purchase provisions, have been  
12 approved by the Federal Energy Regulatory  
13 Commission pursuant to Section 205 of the Federal  
14 Power Act;

15 (xii) provide that any changes to the terms of  
16 the contract, insofar as such changes relate to  
17 the power purchase provisions, are subject to  
18 review under the public interest standard applied  
19 by the Federal Energy Regulatory Commission  
20 pursuant to Sections 205 and 206 of the Federal  
21 Power Act; and

22 (xiii) conform with customary lender  
23 requirements in power purchase agreements used as  
24 the basis for financing non-utility generators.

25 (4) Effective date of sourcing agreements with the  
26 initial clean coal facility. Any proposed sourcing

1 agreement with the initial clean coal facility shall not  
2 become effective unless the following reports are prepared  
3 and submitted and authorizations and approvals obtained:

4 (i) Facility cost report. The owner of the initial  
5 clean coal facility shall submit to the Commission,  
6 the Agency, and the General Assembly a front-end  
7 engineering and design study, a facility cost report,  
8 method of financing (including but not limited to  
9 structure and associated costs), and an operating and  
10 maintenance cost quote for the facility (collectively  
11 "facility cost report"), which shall be prepared in  
12 accordance with the requirements of this paragraph (4)  
13 of subsection (d) of this Section, and shall provide  
14 the Commission and the Agency access to the work  
15 papers, relied upon documents, and any other backup  
16 documentation related to the facility cost report.

17 (ii) Commission report. Within 6 months following  
18 receipt of the facility cost report, the Commission,  
19 in consultation with the Agency, shall submit a report  
20 to the General Assembly setting forth its analysis of  
21 the facility cost report. Such report shall include,  
22 but not be limited to, a comparison of the costs  
23 associated with electricity generated by the initial  
24 clean coal facility to the costs associated with  
25 electricity generated by other types of generation  
26 facilities, an analysis of the rate impacts on



1 residential and small business customers over the life  
2 of the sourcing agreements, and an analysis of the  
3 likelihood that the initial clean coal facility will  
4 commence commercial operation by and be delivering  
5 power to the facility's busbar by 2016. To assist in  
6 the preparation of its report, the Commission, in  
7 consultation with the Agency, may hire one or more  
8 experts or consultants, the costs of which shall be  
9 paid for by the owner of the initial clean coal  
10 facility. The Commission and Agency may begin the  
11 process of selecting such experts or consultants prior  
12 to receipt of the facility cost report.

13 (iii) General Assembly approval. The proposed  
14 sourcing agreements shall not take effect unless,  
15 based on the facility cost report and the Commission's  
16 report, the General Assembly enacts authorizing  
17 legislation approving (A) the projected price, stated  
18 in cents per kilowatthour, to be charged for  
19 electricity generated by the initial clean coal  
20 facility, (B) the projected impact on residential and  
21 small business customers' bills over the life of the  
22 sourcing agreements, and (C) the maximum allowable  
23 return on equity for the project; and

24 (iv) Commission review. If the General Assembly  
25 enacts authorizing legislation pursuant to  
26 subparagraph (iii) approving a sourcing agreement, the

1 Commission shall, within 90 days of such enactment,  
2 complete a review of such sourcing agreement. During  
3 such time period, the Commission shall implement any  
4 directive of the General Assembly, resolve any  
5 disputes between the parties to the sourcing agreement  
6 concerning the terms of such agreement, approve the  
7 form of such agreement, and issue an order finding  
8 that the sourcing agreement is prudent and reasonable.  
9 The facility cost report shall be prepared as follows:

10 (A) The facility cost report shall be prepared by  
11 duly licensed engineering and construction firms  
12 detailing the estimated capital costs payable to one  
13 or more contractors or suppliers for the engineering,  
14 procurement and construction of the components  
15 comprising the initial clean coal facility and the  
16 estimated costs of operation and maintenance of the  
17 facility. The facility cost report shall include:

18 (i) an estimate of the capital cost of the  
19 core plant based on one or more front end  
20 engineering and design studies for the  
21 gasification island and related facilities. The  
22 core plant shall include all civil, structural,  
23 mechanical, electrical, control, and safety  
24 systems.

25 (ii) an estimate of the capital cost of the  
26 balance of the plant, including any capital costs

1 associated with sequestration of carbon dioxide  
2 emissions and all interconnects and interfaces  
3 required to operate the facility, such as  
4 transmission of electricity, construction or  
5 backfeed power supply, pipelines to transport  
6 substitute natural gas or carbon dioxide, potable  
7 water supply, natural gas supply, water supply,  
8 water discharge, landfill, access roads, and coal  
9 delivery.

10 The quoted construction costs shall be expressed  
11 in nominal dollars as of the date that the quote is  
12 prepared and shall include capitalized financing costs  
13 during construction, taxes, insurance, and other  
14 owner's costs, and an assumed escalation in materials  
15 and labor beyond the date as of which the construction  
16 cost quote is expressed.

17 (B) The front end engineering and design study for  
18 the gasification island and the cost study for the  
19 balance of plant shall include sufficient design work  
20 to permit quantification of major categories of  
21 materials, commodities and labor hours, and receipt of  
22 quotes from vendors of major equipment required to  
23 construct and operate the clean coal facility.

24 (C) The facility cost report shall also include an  
25 operating and maintenance cost quote that will provide  
26 the estimated cost of delivered fuel, personnel,

1 maintenance contracts, chemicals, catalysts,  
2 consumables, spares, and other fixed and variable  
3 operations and maintenance costs. The delivered fuel  
4 cost estimate will be provided by a recognized third  
5 party expert or experts in the fuel and transportation  
6 industries. The balance of the operating and  
7 maintenance cost quote, excluding delivered fuel  
8 costs, will be developed based on the inputs provided  
9 by duly licensed engineering and construction firms  
10 performing the construction cost quote, potential  
11 vendors under long-term service agreements and plant  
12 operating agreements, or recognized third party plant  
13 operator or operators.

14 The operating and maintenance cost quote  
15 (including the cost of the front end engineering and  
16 design study) shall be expressed in nominal dollars as  
17 of the date that the quote is prepared and shall  
18 include taxes, insurance, and other owner's costs, and  
19 an assumed escalation in materials and labor beyond  
20 the date as of which the operating and maintenance  
21 cost quote is expressed.

22 (D) The facility cost report shall also include an  
23 analysis of the initial clean coal facility's ability  
24 to deliver power and energy into the applicable  
25 regional transmission organization markets and an  
26 analysis of the expected capacity factor for the

1 initial clean coal facility.

2 (E) Amounts paid to third parties unrelated to the  
3 owner or owners of the initial clean coal facility to  
4 prepare the core plant construction cost quote,  
5 including the front end engineering and design study,  
6 and the operating and maintenance cost quote will be  
7 reimbursed through Coal Development Bonds.

8 (5) Re-powering and retrofitting coal-fired power  
9 plants previously owned by Illinois utilities to qualify  
10 as clean coal facilities. During the 2009 procurement  
11 planning process and thereafter, the Agency and the  
12 Commission shall consider sourcing agreements covering  
13 electricity generated by power plants that were previously  
14 owned by Illinois utilities and that have been or will be  
15 converted into clean coal facilities, as defined by  
16 Section 1-10 of this Act. Pursuant to such procurement  
17 planning process, the owners of such facilities may  
18 propose to the Agency sourcing agreements with utilities  
19 and alternative retail electric suppliers required to  
20 comply with subsection (d) of this Section and item (5) of  
21 subsection (d) of Section 16-115 of the Public Utilities  
22 Act, covering electricity generated by such facilities. In  
23 the case of sourcing agreements that are power purchase  
24 agreements, the contract price for electricity sales shall  
25 be established on a cost of service basis. In the case of  
26 sourcing agreements that are contracts for differences,

1 the contract price from which the reference price is  
2 subtracted shall be established on a cost of service  
3 basis. The Agency and the Commission may approve any such  
4 utility sourcing agreements that do not exceed cost-based  
5 benchmarks developed by the procurement administrator, in  
6 consultation with the Commission staff, Agency staff and  
7 the procurement monitor, subject to Commission review and  
8 approval. The Commission shall have authority to inspect  
9 all books and records associated with these clean coal  
10 facilities during the term of any such contract.

11 (6) Costs incurred under this subsection (d) or  
12 pursuant to a contract entered into under this subsection  
13 (d) shall be deemed prudently incurred and reasonable in  
14 amount and the electric utility shall be entitled to full  
15 cost recovery pursuant to the tariffs filed with the  
16 Commission.

17 (d-5) Zero emission standard.

18 (1) Beginning with the delivery year commencing on  
19 June 1, 2017, the Agency shall, for electric utilities  
20 that serve at least 100,000 retail customers in this  
21 State, procure contracts with zero emission facilities  
22 that are reasonably capable of generating cost-effective  
23 zero emission credits in an amount approximately equal to  
24 16% of the actual amount of electricity delivered by each  
25 electric utility to retail customers in the State during  
26 calendar year 2014. For an electric utility serving fewer

1 than 100,000 retail customers in this State that  
2 requested, under Section 16-111.5 of the Public Utilities  
3 Act, that the Agency procure power and energy for all or a  
4 portion of the utility's Illinois load for the delivery  
5 year commencing June 1, 2016, the Agency shall procure  
6 contracts with zero emission facilities that are  
7 reasonably capable of generating cost-effective zero  
8 emission credits in an amount approximately equal to 16%  
9 of the portion of power and energy to be procured by the  
10 Agency for the utility. The duration of the contracts  
11 procured under this subsection (d-5) shall be for a term  
12 of 10 years ending May 31, 2027. The quantity of zero  
13 emission credits to be procured under the contracts shall  
14 be all of the zero emission credits generated by the zero  
15 emission facility in each delivery year; however, if the  
16 zero emission facility is owned by more than one entity,  
17 then the quantity of zero emission credits to be procured  
18 under the contracts shall be the amount of zero emission  
19 credits that are generated from the portion of the zero  
20 emission facility that is owned by the winning supplier.

21 The 16% value identified in this paragraph (1) is the  
22 average of the percentage targets in subparagraph (B) of  
23 paragraph (1) of subsection (c) of this Section for the 5  
24 delivery years beginning June 1, 2017.

25 The procurement process shall be subject to the  
26 following provisions:

1 (A) Those zero emission facilities that intend to  
2 participate in the procurement shall submit to the  
3 Agency the following eligibility information for each  
4 zero emission facility on or before the date  
5 established by the Agency:

6 (i) the in-service date and remaining useful  
7 life of the zero emission facility;

8 (ii) the amount of power generated annually  
9 for each of the years 2005 through 2015, and the  
10 projected zero emission credits to be generated  
11 over the remaining useful life of the zero  
12 emission facility, which shall be used to  
13 determine the capability of each facility;

14 (iii) the annual zero emission facility cost  
15 projections, expressed on a per megawatthour  
16 basis, over the next 6 delivery years, which shall  
17 include the following: operation and maintenance  
18 expenses; fully allocated overhead costs, which  
19 shall be allocated using the methodology developed  
20 by the Institute for Nuclear Power Operations;  
21 fuel expenditures; non-fuel capital expenditures;  
22 spent fuel expenditures; a return on working  
23 capital; the cost of operational and market risks  
24 that could be avoided by ceasing operation; and  
25 any other costs necessary for continued  
26 operations, provided that "necessary" means, for



1 purposes of this item (iii), that the costs could  
2 reasonably be avoided only by ceasing operations  
3 of the zero emission facility; and

4 (iv) a commitment to continue operating, for  
5 the duration of the contract or contracts executed  
6 under the procurement held under this subsection  
7 (d-5), the zero emission facility that produces  
8 the zero emission credits to be procured in the  
9 procurement.

10 The information described in item (iii) of this  
11 subparagraph (A) may be submitted on a confidential  
12 basis and shall be treated and maintained by the  
13 Agency, the procurement administrator, and the  
14 Commission as confidential and proprietary and exempt  
15 from disclosure under subparagraphs (a) and (g) of  
16 paragraph (1) of Section 7 of the Freedom of  
17 Information Act. The Office of Attorney General shall  
18 have access to, and maintain the confidentiality of,  
19 such information pursuant to Section 6.5 of the  
20 Attorney General Act.

21 (B) The price for each zero emission credit  
22 procured under this subsection (d-5) for each delivery  
23 year shall be in an amount that equals the Social Cost  
24 of Carbon, expressed on a price per megawatthour  
25 basis. However, to ensure that the procurement remains  
26 affordable to retail customers in this State if

1 electricity prices increase, the price in an  
2 applicable delivery year shall be reduced below the  
3 Social Cost of Carbon by the amount ("Price  
4 Adjustment") by which the market price index for the  
5 applicable delivery year exceeds the baseline market  
6 price index for the consecutive 12-month period ending  
7 May 31, 2016. If the Price Adjustment is greater than  
8 or equal to the Social Cost of Carbon in an applicable  
9 delivery year, then no payments shall be due in that  
10 delivery year. The components of this calculation are  
11 defined as follows:

12 (i) Social Cost of Carbon: The Social Cost of  
13 Carbon is \$16.50 per megawatthour, which is based  
14 on the U.S. Interagency Working Group on Social  
15 Cost of Carbon's price in the August 2016  
16 Technical Update using a 3% discount rate,  
17 adjusted for inflation for each year of the  
18 program. Beginning with the delivery year  
19 commencing June 1, 2023, the price per  
20 megawatthour shall increase by \$1 per  
21 megawatthour, and continue to increase by an  
22 additional \$1 per megawatthour each delivery year  
23 thereafter.

24 (ii) Baseline market price index: The baseline  
25 market price index for the consecutive 12-month  
26 period ending May 31, 2016 is \$31.40 per

1 megawatthour, which is based on the sum of (aa)  
2 the average day-ahead energy price across all  
3 hours of such 12-month period at the PJM  
4 Interconnection LLC Northern Illinois Hub, (bb)  
5 50% multiplied by the Base Residual Auction, or  
6 its successor, capacity price for the rest of the  
7 RTO zone group determined by PJM Interconnection  
8 LLC, divided by 24 hours per day, and (cc) 50%  
9 multiplied by the Planning Resource Auction, or  
10 its successor, capacity price for Zone 4  
11 determined by the Midcontinent Independent System  
12 Operator, Inc., divided by 24 hours per day.

13 (iii) Market price index: The market price  
14 index for a delivery year shall be the sum of  
15 projected energy prices and projected capacity  
16 prices determined as follows:

17 (aa) Projected energy prices: the  
18 projected energy prices for the applicable  
19 delivery year shall be calculated once for the  
20 year using the forward market price for the  
21 PJM Interconnection, LLC Northern Illinois  
22 Hub. The forward market price shall be  
23 calculated as follows: the energy forward  
24 prices for each month of the applicable  
25 delivery year averaged for each trade date  
26 during the calendar year immediately preceding

1 that delivery year to produce a single energy  
2 forward price for the delivery year. The  
3 forward market price calculation shall use  
4 data published by the Intercontinental  
5 Exchange, or its successor.

6 (bb) Projected capacity prices:

7 (I) For the delivery years commencing  
8 June 1, 2017, June 1, 2018, and June 1,  
9 2019, the projected capacity price shall  
10 be equal to the sum of (1) 50% multiplied  
11 by the Base Residual Auction, or its  
12 successor, price for the rest of the RTO  
13 zone group as determined by PJM  
14 Interconnection LLC, divided by 24 hours  
15 per day and, (2) 50% multiplied by the  
16 resource auction price determined in the  
17 resource auction administered by the  
18 Midcontinent Independent System Operator,  
19 Inc., in which the largest percentage of  
20 load cleared for Local Resource Zone 4,  
21 divided by 24 hours per day, and where  
22 such price is determined by the  
23 Midcontinent Independent System Operator,  
24 Inc.

25 (II) For the delivery year commencing  
26 June 1, 2020, and each year thereafter,

1 the projected capacity price shall be  
2 equal to the sum of (1) 50% multiplied by  
3 the Base Residual Auction, or its  
4 successor, price for the ComEd zone as  
5 determined by PJM Interconnection LLC,  
6 divided by 24 hours per day, and (2) 50%  
7 multiplied by the resource auction price  
8 determined in the resource auction  
9 administered by the Midcontinent  
10 Independent System Operator, Inc., in  
11 which the largest percentage of load  
12 cleared for Local Resource Zone 4, divided  
13 by 24 hours per day, and where such price  
14 is determined by the Midcontinent  
15 Independent System Operator, Inc.

16 For purposes of this subsection (d-5):

17 "Rest of the RTO" and "ComEd Zone" shall have  
18 the meaning ascribed to them by PJM  
19 Interconnection, LLC.

20 "RTO" means regional transmission  
21 organization.

22 (C) No later than 45 days after June 1, 2017 (the  
23 effective date of Public Act 99-906), the Agency shall  
24 publish its proposed zero emission standard  
25 procurement plan. The plan shall be consistent with  
26 the provisions of this paragraph (1) and shall provide

1 that winning bids shall be selected based on public  
2 interest criteria that include, but are not limited  
3 to, minimizing carbon dioxide emissions that result  
4 from electricity consumed in Illinois and minimizing  
5 sulfur dioxide, nitrogen oxide, and particulate matter  
6 emissions that adversely affect the citizens of this  
7 State. In particular, the selection of winning bids  
8 shall take into account the incremental environmental  
9 benefits resulting from the procurement, such as any  
10 existing environmental benefits that are preserved by  
11 the procurements held under Public Act 99-906 and  
12 would cease to exist if the procurements were not  
13 held, including the preservation of zero emission  
14 facilities. The plan shall also describe in detail how  
15 each public interest factor shall be considered and  
16 weighted in the bid selection process to ensure that  
17 the public interest criteria are applied to the  
18 procurement and given full effect.

19 For purposes of developing the plan, the Agency  
20 shall consider any reports issued by a State agency,  
21 board, or commission under House Resolution 1146 of  
22 the 98th General Assembly and paragraph (4) of  
23 subsection (d) of this Section, as well as publicly  
24 available analyses and studies performed by or for  
25 regional transmission organizations that serve the  
26 State and their independent market monitors.

1           Upon publishing of the zero emission standard  
2 procurement plan, copies of the plan shall be posted  
3 and made publicly available on the Agency's website.  
4 All interested parties shall have 10 days following  
5 the date of posting to provide comment to the Agency on  
6 the plan. All comments shall be posted to the Agency's  
7 website. Following the end of the comment period, but  
8 no more than 60 days later than June 1, 2017 (the  
9 effective date of Public Act 99-906), the Agency shall  
10 revise the plan as necessary based on the comments  
11 received and file its zero emission standard  
12 procurement plan with the Commission.

13           If the Commission determines that the plan will  
14 result in the procurement of cost-effective zero  
15 emission credits, then the Commission shall, after  
16 notice and hearing, but no later than 45 days after the  
17 Agency filed the plan, approve the plan or approve  
18 with modification. For purposes of this subsection  
19 (d-5), "cost effective" means the projected costs of  
20 procuring zero emission credits from zero emission  
21 facilities do not cause the limit stated in paragraph  
22 (2) of this subsection to be exceeded.

23           (C-5) As part of the Commission's review and  
24 acceptance or rejection of the procurement results,  
25 the Commission shall, in its public notice of  
26 successful bidders:

1 (i) identify how the winning bids satisfy the  
2 public interest criteria described in subparagraph  
3 (C) of this paragraph (1) of minimizing carbon  
4 dioxide emissions that result from electricity  
5 consumed in Illinois and minimizing sulfur  
6 dioxide, nitrogen oxide, and particulate matter  
7 emissions that adversely affect the citizens of  
8 this State;

9 (ii) specifically address how the selection of  
10 winning bids takes into account the incremental  
11 environmental benefits resulting from the  
12 procurement, including any existing environmental  
13 benefits that are preserved by the procurements  
14 held under Public Act 99-906 and would have ceased  
15 to exist if the procurements had not been held,  
16 such as the preservation of zero emission  
17 facilities;

18 (iii) quantify the environmental benefit of  
19 preserving the resources identified in item (ii)  
20 of this subparagraph (C-5), including the  
21 following:

22 (aa) the value of avoided greenhouse gas  
23 emissions measured as the product of the zero  
24 emission facilities' output over the contract  
25 term multiplied by the U.S. Environmental  
26 Protection Agency eGrid subregion carbon



1 dioxide emission rate and the U.S. Interagency  
2 Working Group on Social Cost of Carbon's price  
3 in the August 2016 Technical Update using a 3%  
4 discount rate, adjusted for inflation for each  
5 delivery year; and

6 (bb) the costs of replacement with other  
7 zero carbon dioxide resources, including wind  
8 and photovoltaic, based upon the simple  
9 average of the following:

10 (I) the price, or if there is more  
11 than one price, the average of the prices,  
12 paid for renewable energy credits from new  
13 utility-scale wind projects in the  
14 procurement events specified in item (i)  
15 of subparagraph (G) of paragraph (1) of  
16 subsection (c) of this Section; and

17 (II) the price, or if there is more  
18 than one price, the average of the prices,  
19 paid for renewable energy credits from new  
20 utility-scale solar projects and  
21 brownfield site photovoltaic projects in  
22 the procurement events specified in item  
23 (ii) of subparagraph (G) of paragraph (1)  
24 of subsection (c) of this Section and,  
25 after January 1, 2015, renewable energy  
26 credits from photovoltaic distributed

1 generation projects in procurement events  
2 held under subsection (c) of this Section.

3 Each utility shall enter into binding contractual  
4 arrangements with the winning suppliers.

5 The procurement described in this subsection  
6 (d-5), including, but not limited to, the execution of  
7 all contracts procured, shall be completed no later  
8 than May 10, 2017. Based on the effective date of  
9 Public Act 99-906, the Agency and Commission may, as  
10 appropriate, modify the various dates and timelines  
11 under this subparagraph and subparagraphs (C) and (D)  
12 of this paragraph (1). The procurement and plan  
13 approval processes required by this subsection (d-5)  
14 shall be conducted in conjunction with the procurement  
15 and plan approval processes required by subsection (c)  
16 of this Section and Section 16-111.5 of the Public  
17 Utilities Act, to the extent practicable.  
18 Notwithstanding whether a procurement event is  
19 conducted under Section 16-111.5 of the Public  
20 Utilities Act, the Agency shall immediately initiate a  
21 procurement process on June 1, 2017 (the effective  
22 date of Public Act 99-906).

23 (D) Following the procurement event described in  
24 this paragraph (1) and consistent with subparagraph  
25 (B) of this paragraph (1), the Agency shall calculate  
26 the payments to be made under each contract for the

1 next delivery year based on the market price index for  
2 that delivery year. The Agency shall publish the  
3 payment calculations no later than May 25, 2017 and  
4 every May 25 thereafter.

5 (E) Notwithstanding the requirements of this  
6 subsection (d-5), the contracts executed under this  
7 subsection (d-5) shall provide that the zero emission  
8 facility may, as applicable, suspend or terminate  
9 performance under the contracts in the following  
10 instances:

11 (i) A zero emission facility shall be excused  
12 from its performance under the contract for any  
13 cause beyond the control of the resource,  
14 including, but not restricted to, acts of God,  
15 flood, drought, earthquake, storm, fire,  
16 lightning, epidemic, war, riot, civil disturbance  
17 or disobedience, labor dispute, labor or material  
18 shortage, sabotage, acts of public enemy,  
19 explosions, orders, regulations or restrictions  
20 imposed by governmental, military, or lawfully  
21 established civilian authorities, which, in any of  
22 the foregoing cases, by exercise of commercially  
23 reasonable efforts the zero emission facility  
24 could not reasonably have been expected to avoid,  
25 and which, by the exercise of commercially  
26 reasonable efforts, it has been unable to

1 overcome. In such event, the zero emission  
2 facility shall be excused from performance for the  
3 duration of the event, including, but not limited  
4 to, delivery of zero emission credits, and no  
5 payment shall be due to the zero emission facility  
6 during the duration of the event.

7 (ii) A zero emission facility shall be  
8 permitted to terminate the contract if legislation  
9 is enacted into law by the General Assembly that  
10 imposes or authorizes a new tax, special  
11 assessment, or fee on the generation of  
12 electricity, the ownership or leasehold of a  
13 generating unit, or the privilege or occupation of  
14 such generation, ownership, or leasehold of  
15 generation units by a zero emission facility.  
16 However, the provisions of this item (ii) do not  
17 apply to any generally applicable tax, special  
18 assessment or fee, or requirements imposed by  
19 federal law.

20 (iii) A zero emission facility shall be  
21 permitted to terminate the contract in the event  
22 that the resource requires capital expenditures in  
23 excess of \$40,000,000 that were neither known nor  
24 reasonably foreseeable at the time it executed the  
25 contract and that a prudent owner or operator of  
26 such resource would not undertake.

1                   (iv) A zero emission facility shall be  
2                   permitted to terminate the contract in the event  
3                   the Nuclear Regulatory Commission terminates the  
4                   resource's license.

5                   (F) If the zero emission facility elects to  
6                   terminate a contract under subparagraph (E) of this  
7                   paragraph (1), then the Commission shall reopen the  
8                   docket in which the Commission approved the zero  
9                   emission standard procurement plan under subparagraph  
10                  (C) of this paragraph (1) and, after notice and  
11                  hearing, enter an order acknowledging the contract  
12                  termination election if such termination is consistent  
13                  with the provisions of this subsection (d-5).

14                  (2) For purposes of this subsection (d-5), the amount  
15                  paid per kilowatthour means the total amount paid for  
16                  electric service expressed on a per kilowatthour basis.  
17                  For purposes of this subsection (d-5), the total amount  
18                  paid for electric service includes, without limitation,  
19                  amounts paid for supply, transmission, distribution,  
20                  surcharges, and add-on taxes.

21                  Notwithstanding the requirements of this subsection  
22                  (d-5), the contracts executed under this subsection (d-5)  
23                  shall provide that the total of zero emission credits  
24                  procured under a procurement plan shall be subject to the  
25                  limitations of this paragraph (2). For each delivery year,  
26                  the contractual volume receiving payments in such year

1 shall be reduced for all retail customers based on the  
2 amount necessary to limit the net increase that delivery  
3 year to the costs of those credits included in the amounts  
4 paid by eligible retail customers in connection with  
5 electric service to no more than 1.65% of the amount paid  
6 per kilowatthour by eligible retail customers during the  
7 year ending May 31, 2009. The result of this computation  
8 shall apply to and reduce the procurement for all retail  
9 customers, and all those customers shall pay the same  
10 single, uniform cents per kilowatthour charge under  
11 subsection (k) of Section 16-108 of the Public Utilities  
12 Act. To arrive at a maximum dollar amount of zero emission  
13 credits to be paid for the particular delivery year, the  
14 resulting per kilowatthour amount shall be applied to the  
15 actual amount of kilowatthours of electricity delivered by  
16 the electric utility in the delivery year immediately  
17 prior to the procurement, to all retail customers in its  
18 service territory. Unpaid contractual volume for any  
19 delivery year shall be paid in any subsequent delivery  
20 year in which such payments can be made without exceeding  
21 the amount specified in this paragraph (2). The  
22 calculations required by this paragraph (2) shall be made  
23 only once for each procurement plan year. Once the  
24 determination as to the amount of zero emission credits to  
25 be paid is made based on the calculations set forth in this  
26 paragraph (2), no subsequent rate impact determinations

1 shall be made and no adjustments to those contract amounts  
2 shall be allowed. All costs incurred under those contracts  
3 and in implementing this subsection (d-5) shall be  
4 recovered by the electric utility as provided in this  
5 Section.

6 No later than June 30, 2019, the Commission shall  
7 review the limitation on the amount of zero emission  
8 credits procured under this subsection (d-5) and report to  
9 the General Assembly its findings as to whether that  
10 limitation unduly constrains the procurement of  
11 cost-effective zero emission credits.

12 (3) Six years after the execution of a contract under  
13 this subsection (d-5), the Agency shall determine whether  
14 the actual zero emission credit payments received by the  
15 supplier over the 6-year period exceed the Average ZEC  
16 Payment. In addition, at the end of the term of a contract  
17 executed under this subsection (d-5), or at the time, if  
18 any, a zero emission facility's contract is terminated  
19 under subparagraph (E) of paragraph (1) of this subsection  
20 (d-5), then the Agency shall determine whether the actual  
21 zero emission credit payments received by the supplier  
22 over the term of the contract exceed the Average ZEC  
23 Payment, after taking into account any amounts previously  
24 credited back to the utility under this paragraph (3). If  
25 the Agency determines that the actual zero emission credit  
26 payments received by the supplier over the relevant period

1 exceed the Average ZEC Payment, then the supplier shall  
2 credit the difference back to the utility. The amount of  
3 the credit shall be remitted to the applicable electric  
4 utility no later than 120 days after the Agency's  
5 determination, which the utility shall reflect as a credit  
6 on its retail customer bills as soon as practicable;  
7 however, the credit remitted to the utility shall not  
8 exceed the total amount of payments received by the  
9 facility under its contract.

10 For purposes of this Section, the Average ZEC Payment  
11 shall be calculated by multiplying the quantity of zero  
12 emission credits delivered under the contract times the  
13 average contract price. The average contract price shall  
14 be determined by subtracting the amount calculated under  
15 subparagraph (B) of this paragraph (3) from the amount  
16 calculated under subparagraph (A) of this paragraph (3),  
17 as follows:

18 (A) The average of the Social Cost of Carbon, as  
19 defined in subparagraph (B) of paragraph (1) of this  
20 subsection (d-5), during the term of the contract.

21 (B) The average of the market price indices, as  
22 defined in subparagraph (B) of paragraph (1) of this  
23 subsection (d-5), during the term of the contract,  
24 minus the baseline market price index, as defined in  
25 subparagraph (B) of paragraph (1) of this subsection  
26 (d-5).



1           If the subtraction yields a negative number, then the  
2           Average ZEC Payment shall be zero.

3           (4) Cost-effective zero emission credits procured from  
4           zero emission facilities shall satisfy the applicable  
5           definitions set forth in Section 1-10 of this Act.

6           (5) The electric utility shall retire all zero  
7           emission credits used to comply with the requirements of  
8           this subsection (d-5).

9           (6) Electric utilities shall be entitled to recover  
10          all of the costs associated with the procurement of zero  
11          emission credits through an automatic adjustment clause  
12          tariff in accordance with subsection (k) and (m) of  
13          Section 16-108 of the Public Utilities Act, and the  
14          contracts executed under this subsection (d-5) shall  
15          provide that the utilities' payment obligations under such  
16          contracts shall be reduced if an adjustment is required  
17          under subsection (m) of Section 16-108 of the Public  
18          Utilities Act.

19          (7) This subsection (d-5) shall become inoperative on  
20          January 1, 2028.

21          (d-10) Nuclear Plant Assistance; carbon mitigation  
22          credits.

23          (1) The General Assembly finds:

24                (A) The health, welfare, and prosperity of all  
25                Illinois citizens require that the State of Illinois act  
26                to avoid and not increase carbon emissions from electric

1 generation sources while continuing to ensure affordable,  
2 stable, and reliable electricity to all citizens.

3 (B) Absent immediate action by the State to preserve  
4 existing carbon-free energy resources, those resources may  
5 retire, and the electric generation needs of Illinois'  
6 retail customers may be met instead by facilities that  
7 emit significant amounts of carbon pollution and other  
8 harmful air pollutants at a high social and economic cost  
9 until Illinois is able to develop other forms of clean  
10 energy.

11 (C) The General Assembly finds that nuclear power  
12 generation is necessary for the State's transition to 100%  
13 clean energy, and ensuring continued operation of nuclear  
14 plants advances environmental and public health interests  
15 through providing carbon-free electricity while reducing  
16 the air pollution profile of the Illinois energy  
17 generation fleet.

18 (D) The clean energy attributes of nuclear generation  
19 facilities support the State in its efforts to achieve  
20 100% clean energy.

21 (E) The State currently invests in various forms of  
22 clean energy, including, but not limited to, renewable  
23 energy, energy efficiency, and low-emission vehicles,  
24 among others.

25 (F) The Environmental Protection Agency commissioned  
26 an independent audit which provided a detailed assessment

1 of the financial condition of the Illinois nuclear fleet  
2 to evaluate its financial viability and whether the  
3 environmental benefits of such resources were at risk. The  
4 report identified the risk of losing the environmental  
5 benefits of several specific nuclear units. The report  
6 also identified that the LaSalle County Generating Station  
7 will continue to operate through 2026 and therefore is not  
8 eligible to participate in the carbon mitigation credit  
9 program.

10 (G) Nuclear plants provide carbon-free energy, which  
11 helps to avoid many health-related negative impacts for  
12 Illinois residents.

13 (H) The procurement of carbon mitigation credits  
14 representing the environmental benefits of carbon-free  
15 generation will further the State's efforts at achieving  
16 100% clean energy and decarbonizing the electricity sector  
17 in a safe, reliable, and affordable manner. Further, the  
18 procurement of carbon emission credits will enhance the  
19 health and welfare of Illinois residents through decreased  
20 reliance on more highly polluting generation.

21 (I) The General Assembly therefore finds it necessary  
22 to establish carbon mitigation credits to ensure decreased  
23 reliance on more carbon-intensive energy resources, for  
24 transitioning to a fully decarbonized electricity sector,  
25 and to help ensure health and welfare of the State's  
26 residents.

1 (2) As used in this subsection:

2 "Baseline costs" means costs used to establish a customer  
3 protection cap that have been evaluated through an independent  
4 audit of a carbon-free energy resource conducted by the  
5 Environmental Protection Agency that evaluated projected  
6 annual costs for operation and maintenance expenses; fully  
7 allocated overhead costs, which shall be allocated using the  
8 methodology developed by the Institute for Nuclear Power  
9 Operations; fuel expenditures; nonfuel capital expenditures;  
10 spent fuel expenditures; a return on working capital; the cost  
11 of operational and market risks that could be avoided by  
12 ceasing operation; and any other costs necessary for continued  
13 operations, provided that "necessary" means, for purposes of  
14 this definition, that the costs could reasonably be avoided  
15 only by ceasing operations of the carbon-free energy resource.

16 "Carbon mitigation credit" means a tradable credit that  
17 represents the carbon emission reduction attributes of one  
18 megawatt-hour of energy produced from a carbon-free energy  
19 resource.

20 "Carbon-free energy resource" means a generation facility  
21 that: (1) is fueled by nuclear power; and (2) is  
22 interconnected to PJM Interconnection, LLC.

23 (3) Procurement.

24 (A) Beginning with the delivery year commencing on  
25 June 1, 2022, the Agency shall, for electric utilities  
26 serving at least 3,000,000 retail customers in the State,

1 seek to procure contracts for no more than approximately  
2 54,500,000 cost-effective carbon mitigation credits from  
3 carbon-free energy resources because such credits are  
4 necessary to support current levels of carbon-free energy  
5 generation and ensure the State meets its carbon dioxide  
6 emissions reduction goals. The Agency shall not make a  
7 partial award of a contract for carbon mitigation credits  
8 covering a fractional amount of a carbon-free energy  
9 resource's projected output.

10 (B) Each carbon-free energy resource that intends to  
11 participate in a procurement shall be required to submit  
12 to the Agency the following information for the resource  
13 on or before the date established by the Agency:

14 (i) the in-service date and remaining useful life  
15 of the carbon-free energy resource;

16 (ii) the amount of power generated annually for  
17 each of the past 10 years, which shall be used to  
18 determine the capability of each facility;

19 (iii) a commitment to be reflected in any contract  
20 entered into pursuant to this subsection (d-10) to  
21 continue operating the carbon-free energy resource at  
22 a capacity factor of at least 88% annually on average  
23 for the duration of the contract or contracts executed  
24 under the procurement held under this subsection  
25 (d-10), except in an instance described in  
26 subparagraph (E) of paragraph (1) of subsection (d-5)

1 of this Section or made impracticable as a result of  
2 compliance with law or regulation;

3 (iv) financial need and the risk of loss of the  
4 environmental benefits of such resource, which shall  
5 include the following information:

6 (I) the carbon-free energy resource's cost  
7 projections, expressed on a per megawatt-hour  
8 basis, over the next 5 delivery years, which shall  
9 include the following: operation and maintenance  
10 expenses; fully allocated overhead costs, which  
11 shall be allocated using the methodology developed  
12 by the Institute for Nuclear Power Operations;  
13 fuel expenditures; nonfuel capital expenditures;  
14 spent fuel expenditures; a return on working  
15 capital; the cost of operational and market risks  
16 that could be avoided by ceasing operation; and  
17 any other costs necessary for continued  
18 operations, provided that "necessary" means, for  
19 purposes of this subitem (I), that the costs could  
20 reasonably be avoided only by ceasing operations  
21 of the carbon-free energy resource; and

22 (II) the carbon-free energy resource's revenue  
23 projections, including energy, capacity, ancillary  
24 services, any other direct State support, known or  
25 anticipated federal attribute credits, known or  
26 anticipated tax credits, and any other direct

1 federal support.

2 The information described in this subparagraph (B) may  
3 be submitted on a confidential basis and shall be treated  
4 and maintained by the Agency, the procurement  
5 administrator, and the Commission as confidential and  
6 proprietary and exempt from disclosure under subparagraphs  
7 (a) and (g) of paragraph (1) of Section 7 of the Freedom of  
8 Information Act. The Office of the Attorney General shall  
9 have access to, and maintain the confidentiality of, such  
10 information pursuant to Section 6.5 of the Attorney  
11 General Act.

12 (C) The Agency shall solicit bids for the contracts  
13 described in this subsection (d-10) from carbon-free  
14 energy resources that have satisfied the requirements of  
15 subparagraph (B) of this paragraph (3). The contracts  
16 procured pursuant to a procurement event shall reflect,  
17 and be subject to, the following terms, requirements, and  
18 limitations:

19 (i) Contracts are for delivery of carbon  
20 mitigation credits, and are not energy or capacity  
21 sales contracts requiring physical delivery. Pursuant  
22 to item (iii), contract payments shall fully deduct  
23 the value of any monetized federal production tax  
24 credits, credits issued pursuant to a federal clean  
25 energy standard, and other federal credits if  
26 applicable.

1 (ii) Contracts for carbon mitigation credits shall  
2 commence with the delivery year beginning on June 1,  
3 2022 and shall be for a term of 5 delivery years  
4 concluding on May 31, 2027.

5 (iii) The price per carbon mitigation credit to be  
6 paid under a contract for a given delivery year shall  
7 be equal to an accepted bid price less the sum of:

8 (I) one of the following energy price indices,  
9 selected by the bidder at the time of the bid for  
10 the term of the contract:

11 (aa) the weighted-average hourly day-ahead  
12 price for the applicable delivery year at the  
13 busbar of all resources procured pursuant to  
14 this subsection (d-10), weighted by actual  
15 production from the resources; or

16 (bb) the projected energy price for the  
17 PJM Interconnection, LLC Northern Illinois Hub  
18 for the applicable delivery year determined  
19 according to subitem (aa) of item (iii) of  
20 subparagraph (B) of paragraph (1) of  
21 subsection (d-5).

22 (II) the Base Residual Auction Capacity Price  
23 for the ComEd zone as determined by PJM  
24 Interconnection, LLC, divided by 24 hours per day,  
25 for the applicable delivery year for the first 3  
26 delivery years, and then any subsequent delivery



1 years unless the PJM Interconnection, LLC applies  
2 the Minimum Offer Price Rule to participating  
3 carbon-free energy resources because they supply  
4 carbon mitigation credits pursuant to this Section  
5 at which time, upon notice by the carbon-free  
6 energy resource to the Commission and subject to  
7 the Commission's confirmation, the value under  
8 this subitem shall be zero, as further described  
9 in the carbon mitigation credit procurement plan;  
10 and

11 (III) any value of monetized federal tax  
12 credits, direct payments, or similar subsidy  
13 provided to the carbon-free energy resource from  
14 any unit of government that is not already  
15 reflected in energy prices.

16 If the price-per-megawatt-hour calculation  
17 performed under item (iii) of this subparagraph (C)  
18 for a given delivery year results in a net positive  
19 value, then the electric utility counterparty to the  
20 contract shall multiply such net value by the  
21 applicable contract quantity and remit the amount to  
22 the supplier.

23 To protect retail customers from retail rate  
24 impacts that may arise upon the initiation of carbon  
25 policy changes, if the price-per-megawatt-hour  
26 calculation performed under item (iii) of this

1           subparagraph (C) for a given delivery year results in  
2           a net negative value, then the supplier counterparty  
3           to the contract shall multiply such net value by the  
4           applicable contract quantity and remit such amount to  
5           the electric utility counterparty. The electric  
6           utility shall reflect such amounts remitted by  
7           suppliers as a credit on its retail customer bills as  
8           soon as practicable.

9           (iv) To ensure that retail customers in Northern  
10          Illinois do not pay more for carbon mitigation credits  
11          than the value such credits provide, and  
12          notwithstanding the provisions of this subsection  
13          (d-10), the Agency shall not accept bids for contracts  
14          that exceed a customer protection cap equal to the  
15          baseline costs of carbon-free energy resources.

16          The baseline costs for the applicable year shall  
17          be the following:

18               (I) For the delivery year beginning June 1,  
19               2022, the baseline costs shall be an amount equal  
20               to \$30.30 per megawatt-hour.

21               (II) For the delivery year beginning June 1,  
22               2023, the baseline costs shall be an amount equal  
23               to \$32.50 per megawatt-hour.

24               (III) For the delivery year beginning June 1,  
25               2024, the baseline costs shall be an amount equal  
26               to \$33.43 per megawatt-hour.

1                   (IV) For the delivery year beginning June 1,  
2                   2025, the baseline costs shall be an amount equal  
3                   to \$33.50 per megawatt-hour.

4                   (V) For the delivery year beginning June 1,  
5                   2026, the baseline costs shall be an amount equal  
6                   to \$34.50 per megawatt-hour.

7                   An Environmental Protection Agency consultant  
8                   forecast, included in a report issued April 14, 2021,  
9                   projects that a carbon-free energy resource has the  
10                  opportunity to earn on average approximately \$30.28  
11                  per megawatt-hour, for the sale of energy and capacity  
12                  during the time period between 2022 and 2027.  
13                  Therefore, the sale of carbon mitigation credits  
14                  provides the opportunity to receive an additional  
15                  amount per megawatt-hour in addition to the projected  
16                  prices for energy and capacity.

17                  Although actual energy and capacity prices may  
18                  vary from year-to-year, the General Assembly finds  
19                  that this customer protection cap will help ensure  
20                  that the cost of carbon mitigation credits will be  
21                  less than its value, based upon the social cost of  
22                  carbon identified in the Technical Support Document  
23                  issued in February 2021 by the U.S. Interagency  
24                  Working Group on Social Cost of Greenhouse Gases and  
25                  the PJM Interconnection, LLC carbon dioxide marginal  
26                  emission rate for 2020, and that a carbon-free energy

1 resource receiving payment for carbon mitigation  
2 credits receives no more than necessary to keep those  
3 units in operation.

4 (D) No later than 7 days after the effective date of  
5 this amendatory Act of the 102nd General Assembly, the  
6 Agency shall publish its proposed carbon mitigation credit  
7 procurement plan. The Plan shall provide that winning bids  
8 shall be selected by taking into consideration which  
9 resources best match public interest criteria that  
10 include, but are not limited to, minimizing carbon dioxide  
11 emissions that result from electricity consumed in  
12 Illinois and minimizing sulfur dioxide, nitrogen oxide,  
13 and particulate matter emissions that adversely affect the  
14 citizens of this State. The selection of winning bids  
15 shall also take into account the incremental environmental  
16 benefits resulting from the procurement or procurements,  
17 such as any existing environmental benefits that are  
18 preserved by a procurement held under this subsection  
19 (d-10) and would cease to exist if the procurement were  
20 not held, including the preservation of carbon-free energy  
21 resources. For those bidders having the same public  
22 interest criteria score, the relative ranking of such  
23 bidders shall be determined by price. The Plan shall  
24 describe in detail how each public interest factor shall  
25 be considered and weighted in the bid selection process to  
26 ensure that the public interest criteria are applied to

1 the procurement. The Plan shall, to the extent practical  
2 and permissible by federal law, ensure that successful  
3 bidders make commercially reasonable efforts to apply for  
4 federal tax credits, direct payments, or similar subsidy  
5 programs that support carbon-free generation and for which  
6 the successful bidder is eligible. Upon publishing of the  
7 carbon mitigation credit procurement plan, copies of the  
8 plan shall be posted and made publicly available on the  
9 Agency's website. All interested parties shall have 7 days  
10 following the date of posting to provide comment to the  
11 Agency on the plan. All comments shall be posted to the  
12 Agency's website. Following the end of the comment period,  
13 but no more than 19 days later than the effective date of  
14 this amendatory Act of the 102nd General Assembly, the  
15 Agency shall revise the plan as necessary based on the  
16 comments received and file its carbon mitigation credit  
17 procurement plan with the Commission.

18 (E) If the Commission determines that the plan is  
19 likely to result in the procurement of cost-effective  
20 carbon mitigation credits, then the Commission shall,  
21 after notice and hearing and opportunity for comment, but  
22 no later than 42 days after the Agency filed the plan,  
23 approve the plan or approve it with modification. For  
24 purposes of this subsection (d-10), "cost-effective" means  
25 carbon mitigation credits that are procured from  
26 carbon-free energy resources at prices that are within the

1 limits specified in this paragraph (3). As part of the  
2 Commission's review and acceptance or rejection of the  
3 procurement results, the Commission shall, in its public  
4 notice of successful bidders:

5 (i) identify how the selected carbon-free energy  
6 resources satisfy the public interest criteria  
7 described in this paragraph (3) of minimizing carbon  
8 dioxide emissions that result from electricity  
9 consumed in Illinois and minimizing sulfur dioxide,  
10 nitrogen oxide, and particulate matter emissions that  
11 adversely affect the citizens of this State;

12 (ii) specifically address how the selection of  
13 carbon-free energy resources takes into account the  
14 incremental environmental benefits resulting from the  
15 procurement, including any existing environmental  
16 benefits that are preserved by the procurements held  
17 under this amendatory Act of the 102nd General  
18 Assembly and would have ceased to exist if the  
19 procurements had not been held, such as the  
20 preservation of carbon-free energy resources;

21 (iii) quantify the environmental benefit of  
22 preserving the carbon-free energy resources procured  
23 pursuant to this subsection (d-10), including the  
24 following:

25 (I) an assessment value of avoided greenhouse  
26 gas emissions measured as the product of the

1 carbon-free energy resources' output over the  
2 contract term, using generally accepted  
3 methodologies for the valuation of avoided  
4 emissions; and

5 (II) an assessment of costs of replacement  
6 with other carbon-free energy resources and  
7 renewable energy resources, including wind and  
8 photovoltaic generation, based upon an assessment  
9 of the prices paid for renewable energy credits  
10 through programs and procurements conducted  
11 pursuant to subsection (c) of Section 1-75 of this  
12 Act, and the additional storage necessary to  
13 produce the same or similar capability of matching  
14 customer usage patterns.

15 (F) The procurements described in this paragraph (3),  
16 including, but not limited to, the execution of all  
17 contracts procured, shall be completed no later than  
18 December 3, 2021. The procurement and plan approval  
19 processes required by this paragraph (3) shall be  
20 conducted in conjunction with the procurement and plan  
21 approval processes required by Section 16-111.5 of the  
22 Public Utilities Act, to the extent practicable. However,  
23 the Agency and Commission may, as appropriate, modify the  
24 various dates and timelines under this subparagraph and  
25 subparagraphs (D) and (E) of this paragraph (3) to meet  
26 the December 3, 2021 contract execution deadline.

1           Following the completion of such procurements, and  
2           consistent with this paragraph (3), the Agency shall  
3           calculate the payments to be made under each contract in a  
4           timely fashion.

5           (F-1) Costs incurred by the electric utility pursuant  
6           to a contract authorized by this subsection (d-10) shall  
7           be deemed prudently incurred and reasonable in amount, and  
8           the electric utility shall be entitled to full cost  
9           recovery pursuant to a tariff or tariffs filed with the  
10          Commission.

11          (G) The counterparty electric utility shall retire all  
12          carbon mitigation credits used to comply with the  
13          requirements of this subsection (d-10).

14          (H) If a carbon-free energy resource is sold to  
15          another owner, the rights, obligations, and commitments  
16          under this subsection (d-10) shall continue to the  
17          subsequent owner.

18          (I) This subsection (d-10) shall become inoperative on  
19          January 1, 2028.

20          (e) The draft procurement plans are subject to public  
21          comment, as required by Section 16-111.5 of the Public  
22          Utilities Act.

23          (f) The Agency shall submit the final procurement plan to  
24          the Commission. The Agency shall revise a procurement plan if  
25          the Commission determines that it does not meet the standards  
26          set forth in Section 16-111.5 of the Public Utilities Act.



1 (g) The Agency shall assess fees to each affected utility  
2 to recover the costs incurred in preparation of the annual  
3 procurement plan for the utility.

4 (h) The Agency shall assess fees to each bidder to recover  
5 the costs incurred in connection with a competitive  
6 procurement process.

7 (i) A renewable energy credit, carbon emission credit,  
8 zero emission credit, or carbon mitigation credit can only be  
9 used once to comply with a single portfolio or other standard  
10 as set forth in subsection (c), subsection (d), or subsection  
11 (d-5) of this Section, respectively. A renewable energy  
12 credit, carbon emission credit, zero emission credit, or  
13 carbon mitigation credit cannot be used to satisfy the  
14 requirements of more than one standard. If more than one type  
15 of credit is issued for the same megawatt hour of energy, only  
16 one credit can be used to satisfy the requirements of a single  
17 standard. After such use, the credit must be retired together  
18 with any other credits issued for the same megawatt hour of  
19 energy.

20 (Source: P.A. 102-662, eff. 9-15-21; 103-380, eff. 1-1-24;  
21 103-580, eff. 12-8-23.)

22 (20 ILCS 3855/1-93 new)

23 Sec. 1-93. Energy storage capacity targets.

24 (a) The Agency shall develop a storage procurement plan  
25 that results in the electric utilities contracting for energy

1 storage capacity from contracted energy storage systems in  
2 amounts determined by the Agency.

3 (b) Within 180 days of the effective date of this  
4 amendatory Act of the 103rd General Assembly, the Agency shall  
5 develop an energy storage procurement plan in accordance with  
6 this Section and Section 16-111.5 of the Public Utilities Act.

7 (c) All procurements under this Section shall comply with  
8 the geographic requirements in subparagraph (I) of paragraph  
9 (1) of subsection (c) of Section 1-75 and shall follow the  
10 procurement processes and procedures described in this Section  
11 and Section 16-111.5 of the Public Utilities Act to the extent  
12 practicable, and these processes and procedures may be  
13 expedited to accommodate the schedule established by this  
14 Section. The Agency shall require all bidders to pay to the  
15 Agency a nonrefundable deposit of \$10,000 per bid. Bidders  
16 shall also demonstrate experience developing to commercial  
17 readiness. The winning bidders shall comply with the  
18 prevailing wage requirements in subparagraph (Q) of paragraph  
19 (1) of subsection (c) of Section 1-75 and equity  
20 accountability system requirements in subsection (c-10) of  
21 Section 1-75. In this subsection, "developing to commercial  
22 readiness" means having notice to proceed, owning, or  
23 operating energy facilities with a combined nameplate capacity  
24 of at least 100 megawatts.

25 (d) Notwithstanding any other provision of law, in all  
26 competitive procurements conducted by the Agency for

1 procurement of energy storage resources, the Agency, in  
2 ranking the bids for evaluation and selection, shall apply the  
3 downward bid price adjustment described in Section 5.4.3, as  
4 set forth in the first full paragraph on page 110, of its  
5 proposed 2024 Long-Term Renewable Resources Procurement Plan,  
6 filed on October 20, 2023 in Illinois Commerce Commission  
7 Docket 23-0714, to the bid submitted by any energy storage  
8 resource:

9 (1) located or proposed to be located in a  
10 municipality, county, or other unit of local government  
11 that is or was eligible to apply for an Energy Transition  
12 Community Grant under Section 10-20 of the Energy  
13 Transition Reinvestment Act or is located at a  
14 fossil-fueled power plant or coal mine in this State that  
15 was retired after December 31, 2015 or whose owner commits  
16 to retire it by no later than December 31, 2030;

17 (2) located or proposed to be located in either an  
18 environmental justice community, an R3 community, or in an  
19 equity investment eligible community; or

20 (3) located or proposed to be located at a site  
21 connecting to existing utility infrastructure at a  
22 switchyard located within the property boundaries of a  
23 fossil-fueled power plant in this State that was retired  
24 after December 31, 2015 or whose owner commits to retire  
25 it by no later than December 31, 2030, which project will  
26 be used to replace retired or to be retired fossil fuel

1 power plant facilities at that property, regardless of the  
2 amount of generating capacity to be replaced, and that has  
3 completed the interconnection process with the applicable  
4 regional transmission organization or independent  
5 transmission system operator and has entered into an  
6 interconnection agreement for the project with the  
7 applicable regional transmission operator, independent  
8 transmission system operator, and applicable transmission  
9 utility.

10 If an energy storage resource submitting a bid in a  
11 procurement event described in this subsection satisfies more  
12 than one of the criteria described in paragraphs (1), (2) or  
13 (3), the Agency shall apply the bid price adjustment 2 times in  
14 ranking and evaluating the bid submitted by the energy storage  
15 resource. It is the intent of the General Assembly in enacting  
16 this provision to: (i) provide a preference for energy storage  
17 resources located or to be located in areas that the General  
18 Assembly hereby finds and concludes have experienced or will  
19 experience adverse economic and employment impacts due to the  
20 closure of a fossil-fueled power plant or coal mine, the  
21 closure of which help to advance the State's decarbonization  
22 goals, and which preference will help provide a just  
23 transition for the areas in which the closed fossil power  
24 plants or coal mines are located or that are an proposed to be  
25 located in equity investment eligible community, an  
26 environmental justice community, or an R3 community; and (ii)

1 provide a preference for energy storage resources that are to  
2 be connected to existing utility infrastructure at switchyards  
3 of retired or to be retired fossil fuel power plants and have  
4 completed the interconnection process and entered into  
5 applicable interconnection agreements, thereby efficiently  
6 using existing infrastructure and presenting a greater  
7 likelihood of successful completion and operation, and at an  
8 earlier date, of the proposed energy storage resources.

9 (e) No later than December 31, 2026 and every 2 years  
10 thereafter, the Agency shall conduct an analysis to determine  
11 whether the contracted quantity of energy storage in energy  
12 storage capacity and energy storage duration is sufficient to  
13 support the State's renewable energy standards and carbon  
14 emission standards. To conduct the analysis, the Agency shall  
15 retain an independent consultant with experience in wholesale  
16 electric system modeling in PJM and MISO and may seek the  
17 support of the federal Department of Energy and National Labs  
18 to conduct its analysis. The independent consultant shall  
19 utilize a production cost model, capacity expansion model, or  
20 similar comprehensive analysis of the electricity systems and  
21 shall provide opportunities for stakeholders to provide  
22 feedback on the scope, inputs, and assumptions used in the  
23 analysis. The Agency is authorized to collect costs for  
24 conducting the analysis from electric utilities. The electric  
25 utilities are authorized to recover the cost of the analysis  
26 as part of the recovery of the cost of energy storage

1 resources, as authorized in this Section and Section 16-108 of  
2 the Public Utilities Act. If the Agency determines that the  
3 need for energy storage capacity or energy storage duration is  
4 greater than the energy storage resource target in this  
5 Section, the Agency shall establish, and the Commission shall  
6 approve, new energy storage resource targets to meet the  
7 identified need. If the Agency determines that deployment of  
8 energy storage beyond 2030 will not be achieved through  
9 wholesale market prices and other energy storage programs  
10 established by the State, the Agency shall establish  
11 additional targets for years beyond 2030.

12 (f) The Agency shall include in the long-term procurement  
13 plan the energy storage duration of energy storage systems  
14 from which the Agency shall procure energy storage resources.  
15 For all solicitations prior to the delivery year 2028, the  
16 energy storage duration shall be 4 hours. For solicitations in  
17 the delivery year 2028 and thereafter, and informed by the  
18 analysis described in subsection (e), the Agency shall  
19 designate the energy storage duration or durations and the  
20 amount of energy storage capacity at each duration from which  
21 the Agency intends to procure energy storage resources.

22 (g) The Agency shall identify in the long-term procurement  
23 plan the regional transmission organization or independent  
24 system operator to which energy storage systems shall be  
25 interconnected in order to be eligible to offer a strike price  
26 for energy storage credits.

1       (h) Energy storage resources shall be cost effective. The  
2 procurement administrator shall establish confidential price  
3 benchmarks based on publicly available data on regional  
4 technology costs. Confidential benchmarks shall be developed  
5 by the procurement administrator, in consultation with the  
6 Commission staff, Agency staff, and the procurement monitor,  
7 and shall be subject to Commission review and approval.  
8 Benchmarks shall reflect development, financing, and related  
9 costs resulting from requirements imposed through other  
10 provisions of State law. In this subsection, "cost effective"  
11 means that the price bid to supply energy storage resources do  
12 not exceed confidential benchmarks.

13       (i) When developing each storage procurement plan, upon  
14 solicitation from stakeholders, the Agency shall consider  
15 additional procurement approaches that would result in the  
16 electric utilities contracting for energy storage to achieve  
17 the requirements in subsection (a).

18       (j) Energy storage resources procured under this Section  
19 must be from energy storage systems built by general  
20 contractors that must enter into a project labor agreement  
21 prior to construction. The project labor agreement shall be  
22 filed with the Director in accordance with procedures  
23 established by the Agency through its storage procurement  
24 plan. Any information submitted to the Agency under this  
25 subsection shall be considered commercially sensitive  
26 information. At a minimum, the project labor agreement must

1 provide the names, addresses, and occupations of the owner of  
2 the plant and the individuals representing the labor  
3 organization employees participating in the project labor  
4 agreement in accordance with the Project Labor Agreements Act.  
5 The agreement must also specify the terms and conditions as  
6 described in this Act.

7 (20 ILCS 3855/1-94 new)

8 Sec. 1-94. Firm energy resource procurement plan. The  
9 Agency is authorized to develop and implement a firm energy  
10 resource procurement plan for new resources, including  
11 initiating proceedings and conducting competitive  
12 solicitations to deploy new long-duration and multi-day energy  
13 storage. The procurement plan shall ensure regular procurement  
14 opportunities to deploy new long-duration and multi-day energy  
15 storage resources by 2030 and shall ensure stable, competitive  
16 resource development at a pace needed to ensure grid  
17 reliability and resilience during atypical or extreme grid  
18 conditions that may occur at least once in 20 years while  
19 meeting the emissions requirements of Section 9.15 of the  
20 Environmental Protection Act.

21 The Agency's plan shall ensure that a minimum of 2 new  
22 long-duration or multi-day energy storage resources each with  
23 a rated capacity greater than 20 megawatts shall be deployed  
24 or contracted by the end of delivery year 2027.

25 Within 365 days of the effective date of this amendatory



1 Act of the 103rd General Assembly, the Agency shall develop a  
2 firm energy resource procurement plan in accordance with this  
3 Section and Section 16-111.5 of the Public Utilities Act.

4 Section 10. The Public Utilities Act is amended by  
5 changing Sections 16-108 and 16-111.5 as follows:

6 (220 ILCS 5/16-108)

7 Sec. 16-108. Recovery of costs associated with the  
8 provision of delivery and other services.

9 (a) An electric utility shall file a delivery services  
10 tariff with the Commission at least 210 days prior to the date  
11 that it is required to begin offering such services pursuant  
12 to this Act. An electric utility shall provide the components  
13 of delivery services that are subject to the jurisdiction of  
14 the Federal Energy Regulatory Commission at the same prices,  
15 terms and conditions set forth in its applicable tariff as  
16 approved or allowed into effect by that Commission. The  
17 Commission shall otherwise have the authority pursuant to  
18 Article IX to review, approve, and modify the prices, terms  
19 and conditions of those components of delivery services not  
20 subject to the jurisdiction of the Federal Energy Regulatory  
21 Commission, including the authority to determine the extent to  
22 which such delivery services should be offered on an unbundled  
23 basis. In making any such determination the Commission shall  
24 consider, at a minimum, the effect of additional unbundling on

1 (i) the objective of just and reasonable rates, (ii) electric  
2 utility employees, and (iii) the development of competitive  
3 markets for electric energy services in Illinois.

4 (b) The Commission shall enter an order approving, or  
5 approving as modified, the delivery services tariff no later  
6 than 30 days prior to the date on which the electric utility  
7 must commence offering such services. The Commission may  
8 subsequently modify such tariff pursuant to this Act.

9 (c) The electric utility's tariffs shall define the  
10 classes of its customers for purposes of delivery services  
11 charges. Delivery services shall be priced and made available  
12 to all retail customers electing delivery services in each  
13 such class on a nondiscriminatory basis regardless of whether  
14 the retail customer chooses the electric utility, an affiliate  
15 of the electric utility, or another entity as its supplier of  
16 electric power and energy. Charges for delivery services shall  
17 be cost based, and shall allow the electric utility to recover  
18 the costs of providing delivery services through its charges  
19 to its delivery service customers that use the facilities and  
20 services associated with such costs. Such costs shall include  
21 the costs of owning, operating and maintaining transmission  
22 and distribution facilities. The Commission shall also be  
23 authorized to consider whether, and if so to what extent, the  
24 following costs are appropriately included in the electric  
25 utility's delivery services rates: (i) the costs of that  
26 portion of generation facilities used for the production and

1 absorption of reactive power in order that retail customers  
2 located in the electric utility's service area can receive  
3 electric power and energy from suppliers other than the  
4 electric utility, and (ii) the costs associated with the use  
5 and redispatch of generation facilities to mitigate  
6 constraints on the transmission or distribution system in  
7 order that retail customers located in the electric utility's  
8 service area can receive electric power and energy from  
9 suppliers other than the electric utility. Nothing in this  
10 subsection shall be construed as directing the Commission to  
11 allocate any of the costs described in (i) or (ii) that are  
12 found to be appropriately included in the electric utility's  
13 delivery services rates to any particular customer group or  
14 geographic area in setting delivery services rates.

15 (d) The Commission shall establish charges, terms and  
16 conditions for delivery services that are just and reasonable  
17 and shall take into account customer impacts when establishing  
18 such charges. In establishing charges, terms and conditions  
19 for delivery services, the Commission shall take into account  
20 voltage level differences. A retail customer shall have the  
21 option to request to purchase electric service at any delivery  
22 service voltage reasonably and technically feasible from the  
23 electric facilities serving that customer's premises provided  
24 that there are no significant adverse impacts upon system  
25 reliability or system efficiency. A retail customer shall also  
26 have the option to request to purchase electric service at any

1 point of delivery that is reasonably and technically feasible  
2 provided that there are no significant adverse impacts on  
3 system reliability or efficiency. Such requests shall not be  
4 unreasonably denied.

5 (e) Electric utilities shall recover the costs of  
6 installing, operating or maintaining facilities for the  
7 particular benefit of one or more delivery services customers,  
8 including without limitation any costs incurred in complying  
9 with a customer's request to be served at a different voltage  
10 level, directly from the retail customer or customers for  
11 whose benefit the costs were incurred, to the extent such  
12 costs are not recovered through the charges referred to in  
13 subsections (c) and (d) of this Section.

14 (f) An electric utility shall be entitled but not required  
15 to implement transition charges in conjunction with the  
16 offering of delivery services pursuant to Section 16-104. If  
17 an electric utility implements transition charges, it shall  
18 implement such charges for all delivery services customers and  
19 for all customers described in subsection (h), but shall not  
20 implement transition charges for power and energy that a  
21 retail customer takes from cogeneration or self-generation  
22 facilities located on that retail customer's premises, if such  
23 facilities meet the following criteria:

24 (i) the cogeneration or self-generation facilities  
25 serve a single retail customer and are located on that  
26 retail customer's premises (for purposes of this

1           subparagraph and subparagraph (ii), an industrial or  
2           manufacturing retail customer and a third party contractor  
3           that is served by such industrial or manufacturing  
4           customer through such retail customer's own electrical  
5           distribution facilities under the circumstances described  
6           in subsection (vi) of the definition of "alternative  
7           retail electric supplier" set forth in Section 16-102,  
8           shall be considered a single retail customer);

9           (ii) the cogeneration or self-generation facilities  
10          either (A) are sized pursuant to generally accepted  
11          engineering standards for the retail customer's electrical  
12          load at that premises (taking into account standby or  
13          other reliability considerations related to that retail  
14          customer's operations at that site) or (B) if the facility  
15          is a cogeneration facility located on the retail  
16          customer's premises, the retail customer is the thermal  
17          host for that facility and the facility has been designed  
18          to meet that retail customer's thermal energy requirements  
19          resulting in electrical output beyond that retail  
20          customer's electrical demand at that premises, comply with  
21          the operating and efficiency standards applicable to  
22          "qualifying facilities" specified in title 18 Code of  
23          Federal Regulations Section 292.205 as in effect on the  
24          effective date of this amendatory Act of 1999;

25          (iii) the retail customer on whose premises the  
26          facilities are located either has an exclusive right to

1 receive, and corresponding obligation to pay for, all of  
2 the electrical capacity of the facility, or in the case of  
3 a cogeneration facility that has been designed to meet the  
4 retail customer's thermal energy requirements at that  
5 premises, an identified amount of the electrical capacity  
6 of the facility, over a minimum 5-year period; and

7 (iv) if the cogeneration facility is sized for the  
8 retail customer's thermal load at that premises but  
9 exceeds the electrical load, any sales of excess power or  
10 energy are made only at wholesale, are subject to the  
11 jurisdiction of the Federal Energy Regulatory Commission,  
12 and are not for the purpose of circumventing the  
13 provisions of this subsection (f).

14 If a generation facility located at a retail customer's  
15 premises does not meet the above criteria, an electric utility  
16 implementing transition charges shall implement a transition  
17 charge until December 31, 2006 for any power and energy taken  
18 by such retail customer from such facility as if such power and  
19 energy had been delivered by the electric utility. Provided,  
20 however, that an industrial retail customer that is taking  
21 power from a generation facility that does not meet the above  
22 criteria but that is located on such customer's premises will  
23 not be subject to a transition charge for the power and energy  
24 taken by such retail customer from such generation facility if  
25 the facility does not serve any other retail customer and  
26 either was installed on behalf of the customer and for its own

1 use prior to January 1, 1997, or is both predominantly fueled  
2 by byproducts of such customer's manufacturing process at such  
3 premises and sells or offers an average of 300 megawatts or  
4 more of electricity produced from such generation facility  
5 into the wholesale market. Such charges shall be calculated as  
6 provided in Section 16-102, and shall be collected on each  
7 kilowatt-hour delivered under a delivery services tariff to a  
8 retail customer from the date the customer first takes  
9 delivery services until December 31, 2006 except as provided  
10 in subsection (h) of this Section. Provided, however, that an  
11 electric utility, other than an electric utility providing  
12 service to at least 1,000,000 customers in this State on  
13 January 1, 1999, shall be entitled to petition for entry of an  
14 order by the Commission authorizing the electric utility to  
15 implement transition charges for an additional period ending  
16 no later than December 31, 2008. The electric utility shall  
17 file its petition with supporting evidence no earlier than 16  
18 months, and no later than 12 months, prior to December 31,  
19 2006. The Commission shall hold a hearing on the electric  
20 utility's petition and shall enter its order no later than 8  
21 months after the petition is filed. The Commission shall  
22 determine whether and to what extent the electric utility  
23 shall be authorized to implement transition charges for an  
24 additional period. The Commission may authorize the electric  
25 utility to implement transition charges for some or all of the  
26 additional period, and shall determine the mitigation factors

1 to be used in implementing such transition charges; provided,  
2 that the Commission shall not authorize mitigation factors  
3 less than 110% of those in effect during the 12 months ended  
4 December 31, 2006. In making its determination, the Commission  
5 shall consider the following factors: the necessity to  
6 implement transition charges for an additional period in order  
7 to maintain the financial integrity of the electric utility;  
8 the prudence of the electric utility's actions in reducing its  
9 costs since the effective date of this amendatory Act of 1997;  
10 the ability of the electric utility to provide safe, adequate  
11 and reliable service to retail customers in its service area;  
12 and the impact on competition of allowing the electric utility  
13 to implement transition charges for the additional period.

14 (g) The electric utility shall file tariffs that establish  
15 the transition charges to be paid by each class of customers to  
16 the electric utility in conjunction with the provision of  
17 delivery services. The electric utility's tariffs shall define  
18 the classes of its customers for purposes of calculating  
19 transition charges. The electric utility's tariffs shall  
20 provide for the calculation of transition charges on a  
21 customer-specific basis for any retail customer whose average  
22 monthly maximum electrical demand on the electric utility's  
23 system during the 6 months with the customer's highest monthly  
24 maximum electrical demands equals or exceeds 3.0 megawatts for  
25 electric utilities having more than 1,000,000 customers, and  
26 for other electric utilities for any customer that has an



1 average monthly maximum electrical demand on the electric  
2 utility's system of one megawatt or more, and (A) for which  
3 there exists data on the customer's usage during the 3 years  
4 preceding the date that the customer became eligible to take  
5 delivery services, or (B) for which there does not exist data  
6 on the customer's usage during the 3 years preceding the date  
7 that the customer became eligible to take delivery services,  
8 if in the electric utility's reasonable judgment there exists  
9 comparable usage information or a sufficient basis to develop  
10 such information, and further provided that the electric  
11 utility can require customers for which an individual  
12 calculation is made to sign contracts that set forth the  
13 transition charges to be paid by the customer to the electric  
14 utility pursuant to the tariff.

15 (h) An electric utility shall also be entitled to file  
16 tariffs that allow it to collect transition charges from  
17 retail customers in the electric utility's service area that  
18 do not take delivery services but that take electric power or  
19 energy from an alternative retail electric supplier or from an  
20 electric utility other than the electric utility in whose  
21 service area the customer is located. Such charges shall be  
22 calculated, in accordance with the definition of transition  
23 charges in Section 16-102, for the period of time that the  
24 customer would be obligated to pay transition charges if it  
25 were taking delivery services, except that no deduction for  
26 delivery services revenues shall be made in such calculation,

1 and usage data from the customer's class shall be used where  
2 historical usage data is not available for the individual  
3 customer. The customer shall be obligated to pay such charges  
4 on a lump sum basis on or before the date on which the customer  
5 commences to take service from the alternative retail electric  
6 supplier or other electric utility, provided, that the  
7 electric utility in whose service area the customer is located  
8 shall offer the customer the option of signing a contract  
9 pursuant to which the customer pays such charges ratably over  
10 the period in which the charges would otherwise have applied.

11 (i) An electric utility shall be entitled to add to the  
12 bills of delivery services customers charges pursuant to  
13 Sections 9-221, 9-222 (except as provided in Section 9-222.1),  
14 and Section 16-114 of this Act, Section 5-5 of the Electricity  
15 Infrastructure Maintenance Fee Law, Section 6-5 of the  
16 Renewable Energy, Energy Efficiency, and Coal Resources  
17 Development Law of 1997, and Section 13 of the Energy  
18 Assistance Act.

19 (i-5) An electric utility required to impose the Coal to  
20 Solar and Energy Storage Initiative Charge provided for in  
21 subsection (c-5) of Section 1-75 of the Illinois Power Agency  
22 Act shall add such charge to the bills of its delivery services  
23 customers pursuant to the terms of a tariff conforming to the  
24 requirements of subsection (c-5) of Section 1-75 of the  
25 Illinois Power Agency Act and this subsection (i-5) and filed  
26 with and approved by the Commission. The electric utility

1 shall file its proposed tariff with the Commission on or  
2 before July 1, 2022 to be effective, after review and approval  
3 or modification by the Commission, beginning January 1, 2023.  
4 On or before December 1, 2022, the Commission shall review the  
5 electric utility's proposed tariff, including by conducting a  
6 docketed proceeding if deemed necessary by the Commission, and  
7 shall approve the proposed tariff or direct the electric  
8 utility to make modifications the Commission finds necessary  
9 for the tariff to conform to the requirements of subsection  
10 (c-5) of Section 1-75 of the Illinois Power Agency Act and this  
11 subsection (i-5). The electric utility's tariff shall provide  
12 for imposition of the Coal to Solar and Energy Storage  
13 Initiative Charge on a per-kilowatthour basis to all  
14 kilowatthours delivered by the electric utility to its  
15 delivery services customers. The tariff shall provide for the  
16 calculation of the Coal to Solar and Energy Storage Initiative  
17 Charge to be in effect for the year beginning January 1, 2023  
18 and each year beginning January 1 thereafter, sufficient to  
19 collect the electric utility's estimated payment obligations  
20 for the delivery year beginning the following June 1 under  
21 contracts for purchase of renewable energy credits entered  
22 into pursuant to subsection (c-5) of Section 1-75 of the  
23 Illinois Power Agency Act and the obligations of the  
24 Department of Commerce and Economic Opportunity, or any  
25 successor department or agency, which for purposes of this  
26 subsection (i-5) shall be referred to as the Department, to

1 make grant payments during such delivery year from the Coal to  
2 Solar and Energy Storage Initiative Fund pursuant to grant  
3 contracts entered into pursuant to subsection (c-5) of Section  
4 1-75 of the Illinois Power Agency Act, and using the electric  
5 utility's kilowatthour deliveries to its delivery services  
6 customers during the delivery year ended May 31 of the  
7 preceding calendar year. On or before November 1 of each year  
8 beginning November 1, 2022, the Department shall notify the  
9 electric utilities of the amount of the Department's estimated  
10 obligations for grant payments during the delivery year  
11 beginning the following June 1 pursuant to grant contracts  
12 entered into pursuant to subsection (c-5) of Section 1-75 of  
13 the Illinois Power Agency Act; and each electric utility shall  
14 incorporate in the calculation of its Coal to Solar and Energy  
15 Storage Initiative Charge the fractional portion of the  
16 Department's estimated obligations equal to the electric  
17 utility's kilowatthour deliveries to its delivery services  
18 customers in the delivery year ended the preceding May 31  
19 divided by the aggregate deliveries of both electric utilities  
20 to delivery services customers in such delivery year. The  
21 electric utility shall remit on a monthly basis to the State  
22 Treasurer, for deposit in the Coal to Solar and Energy Storage  
23 Initiative Fund provided for in subsection (c-5) of Section  
24 1-75 of the Illinois Power Agency Act, the electric utility's  
25 collections of the Coal to Solar and Energy Storage Initiative  
26 Charge estimated to be needed by the Department for grant

1 payments pursuant to grant contracts entered into pursuant to  
2 subsection (c-5) of Section 1-75 of the Illinois Power Agency  
3 Act. The initial charge under the electric utility's tariff  
4 shall be effective for kilowatthours delivered beginning  
5 January 1, 2023, and thereafter shall be revised to be  
6 effective January 1, 2024 and each January 1 thereafter, based  
7 on the payment obligations for the delivery year beginning the  
8 following June 1. The tariff shall provide for the electric  
9 utility to make an annual filing with the Commission on or  
10 before November 15 of each year, beginning in 2023, setting  
11 forth the Coal to Solar and Energy Storage Initiative Charge  
12 to be in effect for the year beginning the following January 1.  
13 The electric utility's tariff shall also provide that the  
14 electric utility shall make a filing with the Commission on or  
15 before August 1 of each year beginning in 2024 setting forth a  
16 reconciliation, for the delivery year ended the preceding May  
17 31, of the electric utility's collections of the Coal to Solar  
18 and Energy Storage Initiative Charge against actual payments  
19 for renewable energy credits pursuant to contracts entered  
20 into, and the actual grant payments by the Department pursuant  
21 to grant contracts entered into, pursuant to subsection (c-5)  
22 of Section 1-75 of the Illinois Power Agency Act. The tariff  
23 shall provide that any excess or shortfall of collections to  
24 payments shall be deducted from or added to, on a  
25 per-kilowatthour basis, the Coal to Solar and Energy Storage  
26 Initiative Charge, over the 6-month period beginning October 1

1 of that calendar year.

2 (j) If a retail customer that obtains electric power and  
3 energy from cogeneration or self-generation facilities  
4 installed for its own use on or before January 1, 1997,  
5 subsequently takes service from an alternative retail electric  
6 supplier or an electric utility other than the electric  
7 utility in whose service area the customer is located for any  
8 portion of the customer's electric power and energy  
9 requirements formerly obtained from those facilities  
10 (including that amount purchased from the utility in lieu of  
11 such generation and not as standby power purchases, under a  
12 cogeneration displacement tariff in effect as of the effective  
13 date of this amendatory Act of 1997), the transition charges  
14 otherwise applicable pursuant to subsections (f), (g), or (h)  
15 of this Section shall not be applicable in any year to that  
16 portion of the customer's electric power and energy  
17 requirements formerly obtained from those facilities,  
18 provided, that for purposes of this subsection (j), such  
19 portion shall not exceed the average number of kilowatt-hours  
20 per year obtained from the cogeneration or self-generation  
21 facilities during the 3 years prior to the date on which the  
22 customer became eligible for delivery services, except as  
23 provided in subsection (f) of Section 16-110.

24 (k) The electric utility shall be entitled to recover  
25 through tariffed charges all of the costs associated with the  
26 purchase of zero emission credits from zero emission

1 facilities to meet the requirements of subsection (d-5) of  
2 Section 1-75 of the Illinois Power Agency Act and all of the  
3 costs associated with the purchase of carbon mitigation  
4 credits from carbon-free energy resources to meet the  
5 requirements of subsection (d-10) of Section 1-75 of the  
6 Illinois Power Agency Act. Such costs shall include the costs  
7 of procuring the zero emission credits and carbon mitigation  
8 credits from carbon-free energy resources, as well as the  
9 reasonable costs that the utility incurs as part of the  
10 procurement processes and to implement and comply with plans  
11 and processes approved by the Commission under subsections  
12 (d-5) and (d-10). The costs shall be allocated across all  
13 retail customers through a single, uniform cents per  
14 kilowatt-hour charge applicable to all retail customers, which  
15 shall appear as a separate line item on each customer's bill.  
16 Beginning June 1, 2024, the electric utility shall be entitled  
17 to recover through tariffed charges all of the costs  
18 associated with the purchase of energy storage resources to  
19 meet the energy storage standards of Section 1-93 of the  
20 Illinois Power Agency Act under procurement plans approved in  
21 accordance with that Section and Section 16-111.5. Such costs  
22 shall include the costs of procuring the energy storage  
23 resources and the reasonable costs that the utility incurs as  
24 part of the procurement processes and implementing and  
25 complying with plans and processes approved by the Commission  
26 under such Sections. The costs associated with the purchase of

1 energy storage resources shall be allocated across all retail  
2 customers in proportion to the amount of energy storage  
3 resources the electric utility procures for such customers  
4 through a single, uniform cents per kilowatt-hour charge  
5 applicable to such retail customers, which shall appear as a  
6 separate line item on each customer's bill. Beginning June 1,  
7 2017, the electric utility shall be entitled to recover  
8 through tariffed charges all of the costs associated with the  
9 purchase of renewable energy resources to meet the renewable  
10 energy resource standards of subsection (c) of Section 1-75 of  
11 the Illinois Power Agency Act, under procurement plans as  
12 approved in accordance with that Section and Section 16-111.5  
13 of this Act. Such costs shall include the costs of procuring  
14 the renewable energy resources, as well as the reasonable  
15 costs that the utility incurs as part of the procurement  
16 processes and to implement and comply with plans and processes  
17 approved by the Commission under such Sections. The costs  
18 associated with the purchase of renewable energy resources  
19 shall be allocated across all retail customers in proportion  
20 to the amount of renewable energy resources the utility  
21 procures for such customers through a single, uniform cents  
22 per kilowatt-hour charge applicable to such retail customers,  
23 which shall appear as a separate line item on each such  
24 customer's bill. The credits, costs, and penalties associated  
25 with the self-direct renewable portfolio standard compliance  
26 program described in subparagraph (R) of paragraph (1) of



1 subsection (c) of Section 1-75 of the Illinois Power Agency  
2 Act shall be allocated to approved eligible self-direct  
3 customers by the utility in a cents per kilowatt-hour credit,  
4 cost, or penalty, which shall appear as a separate line item on  
5 each such customer's bill.

6 Notwithstanding whether the Commission has approved the  
7 initial long-term renewable resources procurement plan as of  
8 June 1, 2017, an electric utility shall place new tariffed  
9 charges into effect beginning with the June 2017 monthly  
10 billing period, to the extent practicable, to begin recovering  
11 the costs of procuring renewable energy resources, as those  
12 charges are calculated under the limitations described in  
13 subparagraph (E) of paragraph (1) of subsection (c) of Section  
14 1-75 of the Illinois Power Agency Act. Notwithstanding the  
15 date on which the utility places such new tariffed charges  
16 into effect, the utility shall be permitted to collect the  
17 charges under such tariff as if the tariff had been in effect  
18 beginning with the first day of the June 2017 monthly billing  
19 period. For the delivery years commencing June 1, 2017, June  
20 1, 2018, June 1, 2019, and each delivery year thereafter, the  
21 electric utility shall deposit into a separate interest  
22 bearing account of a financial institution the monies  
23 collected under the tariffed charges. Money collected from  
24 customers for the procurement of renewable energy resources in  
25 a given delivery year may be spent by the utility for the  
26 procurement of renewable resources over any of the following 5

1 delivery years, after which unspent money shall be credited  
2 back to retail customers. The electric utility shall spend all  
3 money collected in earlier delivery years that has not yet  
4 been returned to customers, first, before spending money  
5 collected in later delivery years. Any interest earned shall  
6 be credited back to retail customers under the reconciliation  
7 proceeding provided for in this subsection (k), provided that  
8 the electric utility shall first be reimbursed from the  
9 interest for the administrative costs that it incurs to  
10 administer and manage the account. Any taxes due on the funds  
11 in the account, or interest earned on it, will be paid from the  
12 account or, if insufficient monies are available in the  
13 account, from the monies collected under the tariffed charges  
14 to recover the costs of procuring renewable energy resources.  
15 Monies deposited in the account shall be subject to the  
16 review, reconciliation, and true-up process described in this  
17 subsection (k) that is applicable to the funds collected and  
18 costs incurred for the procurement of renewable energy  
19 resources.

20 The electric utility shall be entitled to recover all of  
21 the costs identified in this subsection (k) through automatic  
22 adjustment clause tariffs applicable to all of the utility's  
23 retail customers that allow the electric utility to adjust its  
24 tariffed charges consistent with this subsection (k). The  
25 determination as to whether any excess funds were collected  
26 during a given delivery year for the purchase of renewable

1 energy resources, and the crediting of any excess funds back  
2 to retail customers, shall not be made until after the close of  
3 the delivery year, which will ensure that the maximum amount  
4 of funds is available to implement the approved long-term  
5 renewable resources procurement plan during a given delivery  
6 year. The amount of excess funds eligible to be credited back  
7 to retail customers shall be reduced by an amount equal to the  
8 payment obligations required by any contracts entered into by  
9 an electric utility under contracts described in subsection  
10 (b) of Section 1-56 and subsection (c) of Section 1-75 of the  
11 Illinois Power Agency Act, even if such payments have not yet  
12 been made and regardless of the delivery year in which those  
13 payment obligations were incurred. Notwithstanding anything to  
14 the contrary, including in tariffs authorized by this  
15 subsection (k) in effect before the effective date of this  
16 amendatory Act of the 102nd General Assembly, all unspent  
17 funds as of May 31, 2021, excluding any funds credited to  
18 customers during any utility billing cycle that commences  
19 prior to the effective date of this amendatory Act of the 102nd  
20 General Assembly, shall remain in the utility account and  
21 shall on a first in, first out basis be used toward utility  
22 payment obligations under contracts described in subsection  
23 (b) of Section 1-56 and subsection (c) of Section 1-75 of the  
24 Illinois Power Agency Act. The electric utility's collections  
25 under such automatic adjustment clause tariffs to recover the  
26 costs of renewable energy resources, zero emission credits

1 from zero emission facilities, and carbon mitigation credits  
2 from carbon-free energy resources shall be subject to separate  
3 annual review, reconciliation, and true-up against actual  
4 costs by the Commission under a procedure that shall be  
5 specified in the electric utility's automatic adjustment  
6 clause tariffs and that shall be approved by the Commission in  
7 connection with its approval of such tariffs. The procedure  
8 shall provide that any difference between the electric  
9 utility's collections for zero emission credits and carbon  
10 mitigation credits under the automatic adjustment charges for  
11 an annual period and the electric utility's actual costs of  
12 zero emission credits from zero emission facilities and carbon  
13 mitigation credits from carbon-free energy resources for that  
14 same annual period shall be refunded to or collected from, as  
15 applicable, the electric utility's retail customers in  
16 subsequent periods.

17 Nothing in this subsection (k) is intended to affect,  
18 limit, or change the right of the electric utility to recover  
19 the costs associated with the procurement of renewable energy  
20 resources for periods commencing before, on, or after June 1,  
21 2017, as otherwise provided in the Illinois Power Agency Act.

22 The funding available under this subsection (k), if any,  
23 for the programs described under subsection (b) of Section  
24 1-56 of the Illinois Power Agency Act shall not reduce the  
25 amount of funding for the programs described in subparagraph  
26 (O) of paragraph (1) of subsection (c) of Section 1-75 of the

1 Illinois Power Agency Act. If funding is available under this  
2 subsection (k) for programs described under subsection (b) of  
3 Section 1-56 of the Illinois Power Agency Act, then the  
4 long-term renewable resources plan shall provide for the  
5 Agency to procure contracts in an amount that does not exceed  
6 the funding, and the contracts approved by the Commission  
7 shall be executed by the applicable utility or utilities.

8 (l) A utility that has terminated any contract executed  
9 under subsection (d-5) or (d-10) of Section 1-75 of the  
10 Illinois Power Agency Act shall be entitled to recover any  
11 remaining balance associated with the purchase of zero  
12 emission credits prior to such termination, and such utility  
13 shall also apply a credit to its retail customer bills in the  
14 event of any over-collection.

15 (m)(1) An electric utility that recovers its costs of  
16 procuring zero emission credits from zero emission facilities  
17 through a cents-per-kilowatthour charge under subsection (k)  
18 of this Section shall be subject to the requirements of this  
19 subsection (m). Notwithstanding anything to the contrary, such  
20 electric utility shall, beginning on April 30, 2018, and each  
21 April 30 thereafter until April 30, 2026, calculate whether  
22 any reduction must be applied to such cents-per-kilowatthour  
23 charge that is paid by retail customers of the electric  
24 utility that have opted out of subsections (a) through (j) of  
25 Section 8-103B of this Act under subsection (l) of Section  
26 8-103B. Such charge shall be reduced for such customers for

1 the next delivery year commencing on June 1 based on the amount  
2 necessary, if any, to limit the annual estimated average net  
3 increase for the prior calendar year due to the future energy  
4 investment costs to no more than 1.3% of 5.98 cents per  
5 kilowatt-hour, which is the average amount paid per  
6 kilowatthour for electric service during the year ending  
7 December 31, 2015 by Illinois industrial retail customers, as  
8 reported to the Edison Electric Institute.

9 The calculations required by this subsection (m) shall be  
10 made only once for each year, and no subsequent rate impact  
11 determinations shall be made.

12 (2) For purposes of this Section, "future energy  
13 investment costs" shall be calculated by subtracting the  
14 cents-per-kilowatthour charge identified in subparagraph (A)  
15 of this paragraph (2) from the sum of the  
16 cents-per-kilowatthour charges identified in subparagraph (B)  
17 of this paragraph (2):

18 (A) The cents-per-kilowatthour charge identified in  
19 the electric utility's tariff placed into effect under  
20 Section 8-103 of the Public Utilities Act that, on  
21 December 1, 2016, was applicable to those retail customers  
22 that have opted out of subsections (a) through (j) of  
23 Section 8-103B of this Act under subsection (1) of Section  
24 8-103B.

25 (B) The sum of the following cents-per-kilowatthour  
26 charges applicable to those retail customers that have

1       opted out of subsections (a) through (j) of Section 8-103B  
2       of this Act under subsection (l) of Section 8-103B,  
3       provided that if one or more of the following charges has  
4       been in effect and applied to such customers for more than  
5       one calendar year, then each charge shall be equal to the  
6       average of the charges applied over a period that  
7       commences with the calendar year ending December 31, 2017  
8       and ends with the most recently completed calendar year  
9       prior to the calculation required by this subsection (m):

10               (i) the cents-per-kilowatthour charge to recover  
11               the costs incurred by the utility under subsection  
12               (d-5) of Section 1-75 of the Illinois Power Agency  
13               Act, adjusted for any reductions required under this  
14               subsection (m); and

15               (ii) the cents-per-kilowatthour charge to recover  
16               the costs incurred by the utility under Section  
17               16-107.6 of the Public Utilities Act.

18       If no charge was applied for a given calendar year  
19       under item (i) or (ii) of this subparagraph (B), then the  
20       value of the charge for that year shall be zero.

21       (3) If a reduction is required by the calculation  
22       performed under this subsection (m), then the amount of the  
23       reduction shall be multiplied by the number of years reflected  
24       in the averages calculated under subparagraph (B) of paragraph  
25       (2) of this subsection (m). Such reduction shall be applied to  
26       the cents-per-kilowatthour charge that is applicable to those

1 retail customers that have opted out of subsections (a)  
2 through (j) of Section 8-103B of this Act under subsection (l)  
3 of Section 8-103B beginning with the next delivery year  
4 commencing after the date of the calculation required by this  
5 subsection (m).

6 (4) The electric utility shall file a notice with the  
7 Commission on May 1 of 2018 and each May 1 thereafter until May  
8 1, 2026 containing the reduction, if any, which must be  
9 applied for the delivery year which begins in the year of the  
10 filing. The notice shall contain the calculations made  
11 pursuant to this Section. By October 1 of each year beginning  
12 in 2018, each electric utility shall notify the Commission if  
13 it appears, based on an estimate of the calculation required  
14 in this subsection (m), that a reduction will be required in  
15 the next year.

16 (Source: P.A. 102-662, eff. 9-15-21.)

17 (220 ILCS 5/16-111.5)

18 Sec. 16-111.5. Provisions relating to procurement.

19 (a) An electric utility that on December 31, 2005 served  
20 at least 100,000 customers in Illinois shall procure power and  
21 energy for its eligible retail customers in accordance with  
22 the applicable provisions set forth in Section 1-75 of the  
23 Illinois Power Agency Act and this Section. Beginning with the  
24 delivery year commencing on June 1, 2024, an electric utility  
25 serving over 100,000 customers shall also procure energy



1 storage resources in accordance with the applicable provisions  
2 of Section 1-75 of the Illinois Power Agency Act and this  
3 Section. Beginning with the delivery year commencing on June  
4 1, 2017, such electric utility shall also procure zero  
5 emission credits from zero emission facilities in accordance  
6 with the applicable provisions set forth in Section 1-75 of  
7 the Illinois Power Agency Act, and, for years beginning on or  
8 after June 1, 2017, the utility shall procure renewable energy  
9 resources in accordance with the applicable provisions set  
10 forth in Section 1-75 of the Illinois Power Agency Act and this  
11 Section. Beginning with the delivery year commencing on June  
12 1, 2022, an electric utility serving over 3,000,000 customers  
13 shall also procure carbon mitigation credits from carbon-free  
14 energy resources in accordance with the applicable provisions  
15 set forth in Section 1-75 of the Illinois Power Agency Act and  
16 this Section. A small multi-jurisdictional electric utility  
17 that on December 31, 2005 served less than 100,000 customers  
18 in Illinois may elect to procure power and energy for all or a  
19 portion of its eligible Illinois retail customers in  
20 accordance with the applicable provisions set forth in this  
21 Section and Section 1-75 of the Illinois Power Agency Act.  
22 This Section shall not apply to a small multi-jurisdictional  
23 utility until such time as a small multi-jurisdictional  
24 utility requests the Illinois Power Agency to prepare a  
25 procurement plan for its eligible retail customers. "Eligible  
26 retail customers" for the purposes of this Section means those

1 retail customers that purchase power and energy from the  
2 electric utility under fixed-price bundled service tariffs,  
3 other than those retail customers whose service is declared or  
4 deemed competitive under Section 16-113 and those other  
5 customer groups specified in this Section, including  
6 self-generating customers, customers electing hourly pricing,  
7 or those customers who are otherwise ineligible for  
8 fixed-price bundled tariff service. For those customers that  
9 are excluded from the procurement plan's electric supply  
10 service requirements, and the utility shall procure any supply  
11 requirements, including capacity, ancillary services, and  
12 hourly priced energy, in the applicable markets as needed to  
13 serve those customers, provided that the utility may include  
14 in its procurement plan load requirements for the load that is  
15 associated with those retail customers whose service has been  
16 declared or deemed competitive pursuant to Section 16-113 of  
17 this Act to the extent that those customers are purchasing  
18 power and energy during one of the transition periods  
19 identified in subsection (b) of Section 16-113 of this Act.

20 (b) A procurement plan shall be prepared for each electric  
21 utility consistent with the applicable requirements of the  
22 Illinois Power Agency Act and this Section. For purposes of  
23 this Section, Illinois electric utilities that are affiliated  
24 by virtue of a common parent company are considered to be a  
25 single electric utility. Small multi-jurisdictional utilities  
26 may request a procurement plan for a portion of or all of its

1 Illinois load. Each procurement plan shall analyze the  
2 projected balance of supply and demand for those retail  
3 customers to be included in the plan's electric supply service  
4 requirements over a 5-year period, with the first planning  
5 year beginning on June 1 of the year following the year in  
6 which the plan is filed. The plan shall specifically identify  
7 the wholesale products to be procured following plan approval,  
8 and shall follow all the requirements set forth in the Public  
9 Utilities Act and all applicable State and federal laws,  
10 statutes, rules, or regulations, as well as Commission orders.  
11 Nothing in this Section precludes consideration of contracts  
12 longer than 5 years and related forecast data. Unless  
13 specified otherwise in this Section, in the procurement plan  
14 or in the implementing tariff, any procurement occurring in  
15 accordance with this plan shall be competitively bid through a  
16 request for proposals process. Approval and implementation of  
17 the procurement plan shall be subject to review and approval  
18 by the Commission according to the provisions set forth in  
19 this Section. A procurement plan shall include each of the  
20 following components:

21 (1) Hourly load analysis. This analysis shall include:

22 (i) multi-year historical analysis of hourly  
23 loads;

24 (ii) switching trends and competitive retail  
25 market analysis;

26 (iii) known or projected changes to future loads;

1 and

2 (iv) growth forecasts by customer class.

3 (2) Analysis of the impact of any demand side and  
4 renewable energy initiatives. This analysis shall include:

5 (i) the impact of demand response programs and  
6 energy efficiency programs, both current and  
7 projected; for small multi-jurisdictional utilities,  
8 the impact of demand response and energy efficiency  
9 programs approved pursuant to Section 8-408 of this  
10 Act, both current and projected; and

11 (ii) supply side needs that are projected to be  
12 offset by purchases of renewable energy resources, if  
13 any.

14 (3) A plan for meeting the expected load requirements  
15 that will not be met through preexisting contracts. This  
16 plan shall include:

17 (i) definitions of the different Illinois retail  
18 customer classes for which supply is being purchased;

19 (ii) the proposed mix of demand-response products  
20 for which contracts will be executed during the next  
21 year. For small multi-jurisdictional electric  
22 utilities that on December 31, 2005 served fewer than  
23 100,000 customers in Illinois, these shall be defined  
24 as demand-response products offered in an energy  
25 efficiency plan approved pursuant to Section 8-408 of  
26 this Act. The cost-effective demand-response measures

1 shall be procured whenever the cost is lower than  
2 procuring comparable capacity products, provided that  
3 such products shall:

4 (A) be procured by a demand-response provider  
5 from those retail customers included in the plan's  
6 electric supply service requirements;

7 (B) at least satisfy the demand-response  
8 requirements of the regional transmission  
9 organization market in which the utility's service  
10 territory is located, including, but not limited  
11 to, any applicable capacity or dispatch  
12 requirements;

13 (C) provide for customers' participation in  
14 the stream of benefits produced by the  
15 demand-response products;

16 (D) provide for reimbursement by the  
17 demand-response provider of the utility for any  
18 costs incurred as a result of the failure of the  
19 supplier of such products to perform its  
20 obligations thereunder; and

21 (E) meet the same credit requirements as apply  
22 to suppliers of capacity, in the applicable  
23 regional transmission organization market;

24 (iii) monthly forecasted system supply  
25 requirements, including expected minimum, maximum, and  
26 average values for the planning period;

1 (iv) the proposed mix and selection of standard  
2 wholesale products for which contracts will be  
3 executed during the next year, separately or in  
4 combination, to meet that portion of its load  
5 requirements not met through pre-existing contracts,  
6 including but not limited to monthly 5 x 16 peak period  
7 block energy, monthly off-peak wrap energy, monthly 7  
8 x 24 energy, annual 5 x 16 energy, other standardized  
9 energy or capacity products designed to provide  
10 eligible retail customer benefits from commercially  
11 deployed advanced technologies including but not  
12 limited to high voltage direct current converter  
13 stations, as such term is defined in Section 1-10 of  
14 the Illinois Power Agency Act, whether or not such  
15 product is currently available in wholesale markets,  
16 annual off-peak wrap energy, annual 7 x 24 energy,  
17 monthly capacity, annual capacity, peak load capacity  
18 obligations, capacity purchase plan, and ancillary  
19 services;

20 (v) proposed term structures for each wholesale  
21 product type included in the proposed procurement plan  
22 portfolio of products; and

23 (vi) an assessment of the price risk, load  
24 uncertainty, and other factors that are associated  
25 with the proposed procurement plan; this assessment,  
26 to the extent possible, shall include an analysis of

1 the following factors: contract terms, time frames for  
2 securing products or services, fuel costs, weather  
3 patterns, transmission costs, market conditions, and  
4 the governmental regulatory environment; the proposed  
5 procurement plan shall also identify alternatives for  
6 those portfolio measures that are identified as having  
7 significant price risk and mitigation in the form of  
8 additional retail customer and ratepayer price,  
9 reliability, and environmental benefits from  
10 standardized energy products delivered from  
11 commercially deployed advanced technologies,  
12 including, but not limited to, high voltage direct  
13 current converter stations, as such term is defined in  
14 Section 1-10 of the Illinois Power Agency Act, whether  
15 or not such product is currently available in  
16 wholesale markets.

17 (4) Proposed procedures for balancing loads. The  
18 procurement plan shall include, for load requirements  
19 included in the procurement plan, the process for (i)  
20 hourly balancing of supply and demand and (ii) the  
21 criteria for portfolio re-balancing in the event of  
22 significant shifts in load.

23 (5) Long-Term Renewable Resources Procurement Plan.  
24 The Agency shall prepare a long-term renewable resources  
25 procurement plan for the procurement of renewable energy  
26 credits under Sections 1-56 and 1-75 of the Illinois Power

1 Agency Act for delivery beginning in the 2017 delivery  
2 year.

3 (i) The initial long-term renewable resources  
4 procurement plan and all subsequent revisions shall be  
5 subject to review and approval by the Commission. For  
6 the purposes of this Section, "delivery year" has the  
7 same meaning as in Section 1-10 of the Illinois Power  
8 Agency Act. For purposes of this Section, "Agency"  
9 shall mean the Illinois Power Agency.

10 (ii) The long-term renewable resources planning  
11 process shall be conducted as follows:

12 (A) Electric utilities shall provide a range  
13 of load forecasts to the Illinois Power Agency  
14 within 45 days of the Agency's request for  
15 forecasts, which request shall specify the length  
16 and conditions for the forecasts including, but  
17 not limited to, the quantity of distributed  
18 generation expected to be interconnected for each  
19 year.

20 (B) The Agency shall publish for comment the  
21 initial long-term renewable resources procurement  
22 plan no later than 120 days after the effective  
23 date of this amendatory Act of the 99th General  
24 Assembly and shall review, and may revise, the  
25 plan at least every 2 years thereafter. To the  
26 extent practicable, the Agency shall review and



1 propose any revisions to the long-term renewable  
2 energy resources procurement plan in conjunction  
3 with the Agency's other planning and approval  
4 processes conducted under this Section. The  
5 initial long-term renewable resources procurement  
6 plan shall:

7 (aa) Identify the procurement programs and  
8 competitive procurement events consistent with  
9 the applicable requirements of the Illinois  
10 Power Agency Act and shall be designed to  
11 achieve the goals set forth in subsection (c)  
12 of Section 1-75 of that Act.

13 (bb) Include a schedule for procurements  
14 for renewable energy credits from  
15 utility-scale wind projects, utility-scale  
16 solar projects, and brownfield site  
17 photovoltaic projects consistent with  
18 subparagraph (G) of paragraph (1) of  
19 subsection (c) of Section 1-75 of the Illinois  
20 Power Agency Act.

21 (cc) Identify the process whereby the  
22 Agency will submit to the Commission for  
23 review and approval the proposed contracts to  
24 implement the programs required by such plan.

25 Copies of the initial long-term renewable  
26 resources procurement plan and all subsequent

1 revisions shall be posted and made publicly  
2 available on the Agency's and Commission's  
3 websites, and copies shall also be provided to  
4 each affected electric utility. An affected  
5 utility and other interested parties shall have 45  
6 days following the date of posting to provide  
7 comment to the Agency on the initial long-term  
8 renewable resources procurement plan and all  
9 subsequent revisions. All comments submitted to  
10 the Agency shall be specific, supported by data or  
11 other detailed analyses, and, if objecting to all  
12 or a portion of the procurement plan, accompanied  
13 by specific alternative wording or proposals. All  
14 comments shall be posted on the Agency's and  
15 Commission's websites. During this 45-day comment  
16 period, the Agency shall hold at least one public  
17 hearing within each utility's service area that is  
18 subject to the requirements of this paragraph (5)  
19 for the purpose of receiving public comment.  
20 Within 21 days following the end of the 45-day  
21 review period, the Agency may revise the long-term  
22 renewable resources procurement plan based on the  
23 comments received and shall file the plan with the  
24 Commission for review and approval.

25 (C) Within 14 days after the filing of the  
26 initial long-term renewable resources procurement

1 plan or any subsequent revisions, any person  
2 objecting to the plan may file an objection with  
3 the Commission. Within 21 days after the filing of  
4 the plan, the Commission shall determine whether a  
5 hearing is necessary. The Commission shall enter  
6 its order confirming or modifying the initial  
7 long-term renewable resources procurement plan or  
8 any subsequent revisions within 120 days after the  
9 filing of the plan by the Illinois Power Agency.

10 (D) The Commission shall approve the initial  
11 long-term renewable resources procurement plan and  
12 any subsequent revisions, including expressly the  
13 forecast used in the plan and taking into account  
14 that funding will be limited to the amount of  
15 revenues actually collected by the utilities, if  
16 the Commission determines that the plan will  
17 reasonably and prudently accomplish the  
18 requirements of Section 1-56 and subsection (c) of  
19 Section 1-75 of the Illinois Power Agency Act. The  
20 Commission shall also approve the process for the  
21 submission, review, and approval of the proposed  
22 contracts to procure renewable energy credits or  
23 implement the programs authorized by the  
24 Commission pursuant to a long-term renewable  
25 resources procurement plan approved under this  
26 Section.

1           In approving any long-term renewable resources  
2           procurement plan after the effective date of this  
3           amendatory Act of the 102nd General Assembly, the  
4           Commission shall approve or modify the Agency's  
5           proposal for minimum equity standards pursuant to  
6           subsection (c-10) of Section 1-75 of the Illinois  
7           Power Agency Act. The Commission shall consider  
8           any analysis performed by the Agency in developing  
9           its proposal, including past performance,  
10          availability of equity eligible contractors, and  
11          availability of equity eligible persons at the  
12          time the long-term renewable resources procurement  
13          plan is approved.

14          (iii) The Agency or third parties contracted by  
15          the Agency shall implement all programs authorized by  
16          the Commission in an approved long-term renewable  
17          resources procurement plan without further review and  
18          approval by the Commission. Third parties shall not  
19          begin implementing any programs or receive any payment  
20          under this Section until the Commission has approved  
21          the contract or contracts under the process authorized  
22          by the Commission in item (D) of subparagraph (ii) of  
23          paragraph (5) of this subsection (b) and the third  
24          party and the Agency or utility, as applicable, have  
25          executed the contract. For those renewable energy  
26          credits subject to procurement through a competitive

1 bid process under the plan or under the initial  
2 forward procurements for wind and solar resources  
3 described in subparagraph (G) of paragraph (1) of  
4 subsection (c) of Section 1-75 of the Illinois Power  
5 Agency Act, the Agency shall follow the procurement  
6 process specified in the provisions relating to  
7 electricity procurement in subsections (e) through (i)  
8 of this Section.

9 (iv) An electric utility shall recover its costs  
10 associated with the procurement of renewable energy  
11 credits under this Section and pursuant to subsection  
12 (c-5) of Section 1-75 of the Illinois Power Agency Act  
13 through an automatic adjustment clause tariff under  
14 subsection (k) or a tariff pursuant to subsection  
15 (i-5), as applicable, of Section 16-108 of this Act. A  
16 utility shall not be required to advance any payment  
17 or pay any amounts under this Section that exceed the  
18 actual amount of revenues collected by the utility  
19 under paragraph (6) of subsection (c) of Section 1-75  
20 of the Illinois Power Agency Act, subsection (c-5) of  
21 Section 1-75 of the Illinois Power Agency Act, and  
22 subsection (k) or subsection (i-5), as applicable, of  
23 Section 16-108 of this Act, and contracts executed  
24 under this Section shall expressly incorporate this  
25 limitation.

26 (v) For the public interest, safety, and welfare,

1 the Agency and the Commission may adopt rules to carry  
2 out the provisions of this Section on an emergency  
3 basis immediately following the effective date of this  
4 amendatory Act of the 99th General Assembly.

5 (vi) On or before July 1 of each year, the  
6 Commission shall hold an informal hearing for the  
7 purpose of receiving comments on the prior year's  
8 procurement process and any recommendations for  
9 change.

10 (6) Long-Term Energy Storage Resources Procurement  
11 Plan. The Agency shall prepare an energy storage resources  
12 procurement plan for the procurement of energy storage  
13 resources in compliance with this Section and Section 1-93  
14 of the Illinois Power Agency Act.

15 (i) The initial energy storage resources  
16 procurement plan and all subsequent revisions shall be  
17 subject to review and approval by the Commission. For  
18 purposes of this Section, "delivery year" has the same  
19 meaning as in Section 1-10 of the Illinois Power  
20 Agency Act. In this paragraph, "Agency" means the  
21 Illinois Power Agency.

22 (ii) The energy storage resources planning process  
23 shall be conducted as follows:

24 (A) The Agency shall publish for comment the  
25 initial energy storage resources procurement plan  
26 no later than 180 days after the effective date of

1 this amendatory Act of the 103rd General Assembly  
2 and shall review, and may revise, the plan at  
3 least every 2 years thereafter. To the extent  
4 practicable, the Agency shall review and propose  
5 any revisions to the energy storage resources  
6 procurement plan in conjunction with the Agency's  
7 other planning and approval processes conducted  
8 under this Section. The initial energy storage  
9 resources procurement plan shall:

10 (aa) include a schedule for procurements  
11 of energy storage resources from qualified  
12 sources consistent with Section 1-93 of the  
13 Illinois Power Agency Act;

14 (bb) identify the process whereby the  
15 Agency will submit to the Commission for  
16 review and approval the proposed contracts or  
17 other actions to implement the programs  
18 required by such plan. In developing the plan,  
19 the Agency shall consider, and may include in  
20 the proposed plan, alternative methods to  
21 obtain energy storage resources, including,  
22 without limitation, procurement by electric  
23 utilities of indexed energy storage credits,  
24 tolling agreements between electric utilities  
25 and owners of energy storage systems, and  
26 other methods. Copies of the initial energy

1 storage resources procurement plan and all  
2 subsequent revisions shall be posted and made  
3 publicly available on the Agency's and  
4 Commission's websites, and copies shall also  
5 be provided to each affected electric utility.  
6 An affected utility and other interested  
7 parties shall have 45 days following the date  
8 of posting to provide comment to the Agency on  
9 the initial energy storage resources  
10 procurement plan and all subsequent revisions.  
11 All comments shall be posted on the Agency's  
12 and Commission's websites; and

13 (cc) upon solicitation from stakeholders,  
14 consider additional procurement approaches  
15 that would result in the electric utilities  
16 obtaining energy storage resources to achieve  
17 the requirements described in subsection (a);  
18 and

19 (B) The Commission, after a hearing, if the  
20 Commission finds a hearing would be necessary or  
21 useful, shall approve the initial energy storage  
22 resources procurement plan and any subsequent  
23 revisions if the Commission determines that the  
24 plan will reasonably and prudently accomplish the  
25 requirements of Section 1-93 of the Illinois Power  
26 Agency Act. The Commission shall also approve the



1 process for the submission, review, and approval  
2 of proposed contracts or other methods to procure  
3 energy storage resources or implement the programs  
4 authorized by the Commission pursuant to a  
5 long-term energy storage resources procurement  
6 plan approved under this Section.

7 In approving any long-term energy storage  
8 procurement plan after the effective date of this  
9 amendatory Act of the 103rd General Assembly, the  
10 Commission shall approve or modify the Agency's  
11 proposal for minimum equity standards pursuant to  
12 subsection (c-10) of Section 1-75 of the Illinois  
13 Power Agency Act. The Commission shall consider  
14 any analysis performed by the Agency in developing  
15 its proposal, including past performance,  
16 availability of equity eligible contractors, and  
17 availability of equity eligible persons at the  
18 time the long-term renewable resources procurement  
19 plan is approved.

20 (iii) The Agency or third parties contracted by  
21 the Agency shall implement all programs authorized by  
22 the Commission in an approved long-term energy storage  
23 procurement plan without further review and approval  
24 by the Commission. Third parties shall not begin  
25 implementing any programs or receive any payment under  
26 this Section until the Commission has approved the

1           long-term storage contract or other method for  
2           obtaining the energy storage resources.

3           (iv) An electric utility shall recover its costs  
4           associated with the procurement of energy storage  
5           resources under this Section and pursuant to Section  
6           1-93 of the Illinois Power Agency Act through an  
7           automatic adjustment clause tariff under subsection  
8           (k) or a tariff pursuant to subsection (i-5), as  
9           applicable, of Section 16-108.

10           (b-5) An electric utility that as of January 1, 2019  
11           served more than 300,000 retail customers in this State shall  
12           purchase renewable energy credits from new renewable energy  
13           facilities constructed at or adjacent to the sites of  
14           coal-fueled electric generating facilities in this State in  
15           accordance with subsection (c-5) of Section 1-75 of the  
16           Illinois Power Agency Act. Except as expressly provided in  
17           this Section, the plans and procedures for such procurements  
18           shall not be included in the procurement plans provided for in  
19           this Section, but rather shall be conducted and implemented  
20           solely in accordance with subsection (c-5) of Section 1-75 of  
21           the Illinois Power Agency Act.

22           (c) The provisions of this subsection (c) shall not apply  
23           to procurements conducted pursuant to subsection (c-5) of  
24           Section 1-75 of the Illinois Power Agency Act. However, the  
25           Agency may retain a procurement administrator to assist the  
26           Agency in planning and carrying out the procurement events and

1 implementing the other requirements specified in such  
2 subsection (c-5) of Section 1-75 of the Illinois Power Agency  
3 Act, with the costs incurred by the Agency for the procurement  
4 administrator to be recovered through fees charged to  
5 applicants for selection to sell and deliver renewable energy  
6 credits to electric utilities pursuant to subsection (c-5) of  
7 Section 1-75 of the Illinois Power Agency Act. The procurement  
8 process set forth in Section 1-75 of the Illinois Power Agency  
9 Act and subsection (e) of this Section shall be administered  
10 by a procurement administrator and monitored by a procurement  
11 monitor.

12 (1) The procurement administrator shall:

13 (i) design the final procurement process in  
14 accordance with Section 1-75 of the Illinois Power  
15 Agency Act and subsection (e) of this Section  
16 following Commission approval of the procurement plan;

17 (ii) develop benchmarks in accordance with  
18 subsection (e)(3) to be used to evaluate bids; these  
19 benchmarks shall be submitted to the Commission for  
20 review and approval on a confidential basis prior to  
21 the procurement event;

22 (iii) serve as the interface between the electric  
23 utility and suppliers;

24 (iv) manage the bidder pre-qualification and  
25 registration process;

26 (v) obtain the electric utilities' agreement to

1 the final form of all supply contracts and credit  
2 collateral agreements;

3 (vi) administer the request for proposals process;

4 (vii) have the discretion to negotiate to  
5 determine whether bidders are willing to lower the  
6 price of bids that meet the benchmarks approved by the  
7 Commission; any post-bid negotiations with bidders  
8 shall be limited to price only and shall be completed  
9 within 24 hours after opening the sealed bids and  
10 shall be conducted in a fair and unbiased manner; in  
11 conducting the negotiations, there shall be no  
12 disclosure of any information derived from proposals  
13 submitted by competing bidders; if information is  
14 disclosed to any bidder, it shall be provided to all  
15 competing bidders;

16 (viii) maintain confidentiality of supplier and  
17 bidding information in a manner consistent with all  
18 applicable laws, rules, regulations, and tariffs;

19 (ix) submit a confidential report to the  
20 Commission recommending acceptance or rejection of  
21 bids;

22 (x) notify the utility of contract counterparties  
23 and contract specifics; and

24 (xi) administer related contingency procurement  
25 events.

26 (2) The procurement monitor, who shall be retained by

1 the Commission, shall:

2 (i) monitor interactions among the procurement  
3 administrator, suppliers, and utility;

4 (ii) monitor and report to the Commission on the  
5 progress of the procurement process;

6 (iii) provide an independent confidential report  
7 to the Commission regarding the results of the  
8 procurement event;

9 (iv) assess compliance with the procurement plans  
10 approved by the Commission for each utility that on  
11 December 31, 2005 provided electric service to at  
12 least 100,000 customers in Illinois and for each small  
13 multi-jurisdictional utility that on December 31, 2005  
14 served less than 100,000 customers in Illinois;

15 (v) preserve the confidentiality of supplier and  
16 bidding information in a manner consistent with all  
17 applicable laws, rules, regulations, and tariffs;

18 (vi) provide expert advice to the Commission and  
19 consult with the procurement administrator regarding  
20 issues related to procurement process design, rules,  
21 protocols, and policy-related matters; and

22 (vii) consult with the procurement administrator  
23 regarding the development and use of benchmark  
24 criteria, standard form contracts, credit policies,  
25 and bid documents.

26 (d) Except as provided in subsection (j), the planning

1 process shall be conducted as follows:

2 (1) Beginning in 2008, each Illinois utility procuring  
3 power pursuant to this Section shall annually provide a  
4 range of load forecasts to the Illinois Power Agency by  
5 July 15 of each year, or such other date as may be required  
6 by the Commission or Agency. The load forecasts shall  
7 cover the 5-year procurement planning period for the next  
8 procurement plan and shall include hourly data  
9 representing a high-load, low-load, and expected-load  
10 scenario for the load of those retail customers included  
11 in the plan's electric supply service requirements. The  
12 utility shall provide supporting data and assumptions for  
13 each of the scenarios.

14 (2) Beginning in 2008, the Illinois Power Agency shall  
15 prepare a procurement plan by August 15th of each year, or  
16 such other date as may be required by the Commission. The  
17 procurement plan shall identify the portfolio of  
18 demand-response and power and energy products to be  
19 procured. Cost-effective demand-response measures shall be  
20 procured as set forth in item (iii) of subsection (b) of  
21 this Section. Copies of the procurement plan shall be  
22 posted and made publicly available on the Agency's and  
23 Commission's websites, and copies shall also be provided  
24 to each affected electric utility. An affected utility  
25 shall have 30 days following the date of posting to  
26 provide comment to the Agency on the procurement plan.

1 Other interested entities also may comment on the  
2 procurement plan. All comments submitted to the Agency  
3 shall be specific, supported by data or other detailed  
4 analyses, and, if objecting to all or a portion of the  
5 procurement plan, accompanied by specific alternative  
6 wording or proposals. All comments shall be posted on the  
7 Agency's and Commission's websites. During this 30-day  
8 comment period, the Agency shall hold at least one public  
9 hearing within each utility's service area for the purpose  
10 of receiving public comment on the procurement plan.  
11 Within 14 days following the end of the 30-day review  
12 period, the Agency shall revise the procurement plan as  
13 necessary based on the comments received and file the  
14 procurement plan with the Commission and post the  
15 procurement plan on the websites.

16 (3) Within 5 days after the filing of the procurement  
17 plan, any person objecting to the procurement plan shall  
18 file an objection with the Commission. Within 10 days  
19 after the filing, the Commission shall determine whether a  
20 hearing is necessary. The Commission shall enter its order  
21 confirming or modifying the procurement plan within 90  
22 days after the filing of the procurement plan by the  
23 Illinois Power Agency.

24 (4) The Commission shall approve the procurement plan,  
25 including expressly the forecast used in the procurement  
26 plan, if the Commission determines that it will ensure

1       adequate,       reliable,       affordable,       efficient,       and  
2       environmentally sustainable electric service at the lowest  
3       total cost over time, taking into account any benefits of  
4       price stability.

5               (4.5) The Commission shall review the Agency's  
6       recommendations for the selection of applicants to enter  
7       into long-term contracts for the sale and delivery of  
8       renewable energy credits from new renewable energy  
9       facilities to be constructed at or adjacent to the sites  
10      of coal-fueled electric generating facilities in this  
11      State in accordance with the provisions of subsection  
12      (c-5) of Section 1-75 of the Illinois Power Agency Act,  
13      and shall approve the Agency's recommendations if the  
14      Commission determines that the applicants recommended by  
15      the Agency for selection, the proposed new renewable  
16      energy facilities to be constructed, the amounts of  
17      renewable energy credits to be delivered pursuant to the  
18      contracts, and the other terms of the contracts, are  
19      consistent with the requirements of subsection (c-5) of  
20      Section 1-75 of the Illinois Power Agency Act.

21              (e) The procurement process shall include each of the  
22      following components:

23                      (1) Solicitation, pre-qualification, and registration  
24                      of bidders. The procurement administrator shall  
25                      disseminate information to potential bidders to promote a  
26                      procurement event, notify potential bidders that the



1 procurement administrator may enter into a post-bid price  
2 negotiation with bidders that meet the applicable  
3 benchmarks, provide supply requirements, and otherwise  
4 explain the competitive procurement process. In addition  
5 to such other publication as the procurement administrator  
6 determines is appropriate, this information shall be  
7 posted on the Illinois Power Agency's and the Commission's  
8 websites. The procurement administrator shall also  
9 administer the prequalification process, including  
10 evaluation of credit worthiness, compliance with  
11 procurement rules, and agreement to the standard form  
12 contract developed pursuant to paragraph (2) of this  
13 subsection (e). The procurement administrator shall then  
14 identify and register bidders to participate in the  
15 procurement event.

16 (2) Standard contract forms and credit terms and  
17 instruments. The procurement administrator, in  
18 consultation with the utilities, the Commission, and other  
19 interested parties and subject to Commission oversight,  
20 shall develop and provide standard contract forms for the  
21 supplier contracts that meet generally accepted industry  
22 practices. Standard credit terms and instruments that meet  
23 generally accepted industry practices shall be similarly  
24 developed. The procurement administrator shall make  
25 available to the Commission all written comments it  
26 receives on the contract forms, credit terms, or

1 instruments. If the procurement administrator cannot reach  
2 agreement with the applicable electric utility as to the  
3 contract terms and conditions, the procurement  
4 administrator must notify the Commission of any disputed  
5 terms and the Commission shall resolve the dispute. The  
6 terms of the contracts shall not be subject to negotiation  
7 by winning bidders, and the bidders must agree to the  
8 terms of the contract in advance so that winning bids are  
9 selected solely on the basis of price.

10 (3) Establishment of a market-based price benchmark.  
11 As part of the development of the procurement process, the  
12 procurement administrator, in consultation with the  
13 Commission staff, Agency staff, and the procurement  
14 monitor, shall establish benchmarks for evaluating the  
15 final prices in the contracts for each of the products  
16 that will be procured through the procurement process. The  
17 benchmarks shall be based on price data for similar  
18 products for the same delivery period and same delivery  
19 hub, or other delivery hubs after adjusting for that  
20 difference. The price benchmarks may also be adjusted to  
21 take into account differences between the information  
22 reflected in the underlying data sources and the specific  
23 products and procurement process being used to procure  
24 power for the Illinois utilities. The benchmarks shall be  
25 confidential but shall be provided to, and will be subject  
26 to Commission review and approval, prior to a procurement

1 event.

2 (4) Request for proposals competitive procurement  
3 process. The procurement administrator shall design and  
4 issue a request for proposals to supply electricity in  
5 accordance with each utility's procurement plan, as  
6 approved by the Commission. The request for proposals  
7 shall set forth a procedure for sealed, binding commitment  
8 bidding with pay-as-bid settlement, and provision for  
9 selection of bids on the basis of price.

10 (5) A plan for implementing contingencies in the event  
11 of supplier default or failure of the procurement process  
12 to fully meet the expected load requirement due to  
13 insufficient supplier participation, Commission rejection  
14 of results, or any other cause.

15 (i) Event of supplier default: In the event of  
16 supplier default, the utility shall review the  
17 contract of the defaulting supplier to determine if  
18 the amount of supply is 200 megawatts or greater, and  
19 if there are more than 60 days remaining of the  
20 contract term. If both of these conditions are met,  
21 and the default results in termination of the  
22 contract, the utility shall immediately notify the  
23 Illinois Power Agency that a request for proposals  
24 must be issued to procure replacement power, and the  
25 procurement administrator shall run an additional  
26 procurement event. If the contracted supply of the

1 defaulting supplier is less than 200 megawatts or  
2 there are less than 60 days remaining of the contract  
3 term, the utility shall procure power and energy from  
4 the applicable regional transmission organization  
5 market, including ancillary services, capacity, and  
6 day-ahead or real time energy, or both, for the  
7 duration of the contract term to replace the  
8 contracted supply; provided, however, that if a needed  
9 product is not available through the regional  
10 transmission organization market it shall be purchased  
11 from the wholesale market.

12 (ii) Failure of the procurement process to fully  
13 meet the expected load requirement: If the procurement  
14 process fails to fully meet the expected load  
15 requirement due to insufficient supplier participation  
16 or due to a Commission rejection of the procurement  
17 results, the procurement administrator, the  
18 procurement monitor, and the Commission staff shall  
19 meet within 10 days to analyze potential causes of low  
20 supplier interest or causes for the Commission  
21 decision. If changes are identified that would likely  
22 result in increased supplier participation, or that  
23 would address concerns causing the Commission to  
24 reject the results of the prior procurement event, the  
25 procurement administrator may implement those changes  
26 and rerun the request for proposals process according

1 to a schedule determined by those parties and  
2 consistent with Section 1-75 of the Illinois Power  
3 Agency Act and this subsection. In any event, a new  
4 request for proposals process shall be implemented by  
5 the procurement administrator within 90 days after the  
6 determination that the procurement process has failed  
7 to fully meet the expected load requirement.

8 (iii) In all cases where there is insufficient  
9 supply provided under contracts awarded through the  
10 procurement process to fully meet the electric  
11 utility's load requirement, the utility shall meet the  
12 load requirement by procuring power and energy from  
13 the applicable regional transmission organization  
14 market, including ancillary services, capacity, and  
15 day-ahead or real time energy, or both; provided,  
16 however, that if a needed product is not available  
17 through the regional transmission organization market  
18 it shall be purchased from the wholesale market.

19 (6) The procurement processes described in this  
20 subsection and in subsection (c-5) of Section 1-75 of the  
21 Illinois Power Agency Act are exempt from the requirements  
22 of the Illinois Procurement Code, pursuant to Section  
23 20-10 of that Code.

24 (f) Within 2 business days after opening the sealed bids,  
25 the procurement administrator shall submit a confidential  
26 report to the Commission. The report shall contain the results

1 of the bidding for each of the products along with the  
2 procurement administrator's recommendation for the acceptance  
3 and rejection of bids based on the price benchmark criteria  
4 and other factors observed in the process. The procurement  
5 monitor also shall submit a confidential report to the  
6 Commission within 2 business days after opening the sealed  
7 bids. The report shall contain the procurement monitor's  
8 assessment of bidder behavior in the process as well as an  
9 assessment of the procurement administrator's compliance with  
10 the procurement process and rules. The Commission shall review  
11 the confidential reports submitted by the procurement  
12 administrator and procurement monitor, and shall accept or  
13 reject the recommendations of the procurement administrator  
14 within 2 business days after receipt of the reports.

15 (g) Within 3 business days after the Commission decision  
16 approving the results of a procurement event, the utility  
17 shall enter into binding contractual arrangements with the  
18 winning suppliers using the standard form contracts; except  
19 that the utility shall not be required either directly or  
20 indirectly to execute the contracts if a tariff that is  
21 consistent with subsection (l) of this Section has not been  
22 approved and placed into effect for that utility.

23 (h) For the procurement of standard wholesale products,  
24 the names of the successful bidders and the load weighted  
25 average of the winning bid prices for each contract type and  
26 for each contract term shall be made available to the public at

1 the time of Commission approval of a procurement event. For  
2 procurements conducted to meet the requirements of subsection  
3 (b) of Section 1-56 or subsection (c) of Section 1-75 of the  
4 Illinois Power Agency Act governed by the provisions of this  
5 Section, the address and nameplate capacity of the new  
6 renewable energy generating facility proposed by a winning  
7 bidder shall also be made available to the public at the time  
8 of Commission approval of a procurement event, along with the  
9 business address and contact information for any winning  
10 bidder. An estimate or approximation of the nameplate capacity  
11 of the new renewable energy generating facility may be  
12 disclosed if necessary to protect the confidentiality of  
13 individual bid prices.

14 The Commission, the procurement monitor, the procurement  
15 administrator, the Illinois Power Agency, and all participants  
16 in the procurement process shall maintain the confidentiality  
17 of all other supplier and bidding information in a manner  
18 consistent with all applicable laws, rules, regulations, and  
19 tariffs. Confidential information, including the confidential  
20 reports submitted by the procurement administrator and  
21 procurement monitor pursuant to subsection (f) of this  
22 Section, shall not be made publicly available and shall not be  
23 discoverable by any party in any proceeding, absent a  
24 compelling demonstration of need, nor shall those reports be  
25 admissible in any proceeding other than one for law  
26 enforcement purposes.

1           (i) Within 2 business days after a Commission decision  
2 approving the results of a procurement event or such other  
3 date as may be required by the Commission from time to time,  
4 the utility shall file for informational purposes with the  
5 Commission its actual or estimated retail supply charges, as  
6 applicable, by customer supply group reflecting the costs  
7 associated with the procurement and computed in accordance  
8 with the tariffs filed pursuant to subsection (l) of this  
9 Section and approved by the Commission.

10          (j) Within 60 days following August 28, 2007 (the  
11 effective date of Public Act 95-481), each electric utility  
12 that on December 31, 2005 provided electric service to at  
13 least 100,000 customers in Illinois shall prepare and file  
14 with the Commission an initial procurement plan, which shall  
15 conform in all material respects to the requirements of the  
16 procurement plan set forth in subsection (b); provided,  
17 however, that the Illinois Power Agency Act shall not apply to  
18 the initial procurement plan prepared pursuant to this  
19 subsection. The initial procurement plan shall identify the  
20 portfolio of power and energy products to be procured and  
21 delivered for the period June 2008 through May 2009, and shall  
22 identify the proposed procurement administrator, who shall  
23 have the same experience and expertise as is required of a  
24 procurement administrator hired pursuant to Section 1-75 of  
25 the Illinois Power Agency Act. Copies of the procurement plan  
26 shall be posted and made publicly available on the



1 Commission's website. The initial procurement plan may include  
2 contracts for renewable resources that extend beyond May 2009.

3 (i) Within 14 days following filing of the initial  
4 procurement plan, any person may file a detailed objection  
5 with the Commission contesting the procurement plan  
6 submitted by the electric utility. All objections to the  
7 electric utility's plan shall be specific, supported by  
8 data or other detailed analyses. The electric utility may  
9 file a response to any objections to its procurement plan  
10 within 7 days after the date objections are due to be  
11 filed. Within 7 days after the date the utility's response  
12 is due, the Commission shall determine whether a hearing  
13 is necessary. If it determines that a hearing is  
14 necessary, it shall require the hearing to be completed  
15 and issue an order on the procurement plan within 60 days  
16 after the filing of the procurement plan by the electric  
17 utility.

18 (ii) The order shall approve or modify the procurement  
19 plan, approve an independent procurement administrator,  
20 and approve or modify the electric utility's tariffs that  
21 are proposed with the initial procurement plan. The  
22 Commission shall approve the procurement plan if the  
23 Commission determines that it will ensure adequate,  
24 reliable, affordable, efficient, and environmentally  
25 sustainable electric service at the lowest total cost over  
26 time, taking into account any benefits of price stability.

1 (k) (Blank).

2 (k-5) (Blank).

3 (l) An electric utility shall recover its costs incurred  
4 under this Section and subsection (c-5) of Section 1-75 of the  
5 Illinois Power Agency Act, including, but not limited to, the  
6 costs of procuring power and energy demand-response resources  
7 under this Section and its costs for purchasing renewable  
8 energy credits pursuant to subsection (c-5) of Section 1-75 of  
9 the Illinois Power Agency Act. The utility shall file with the  
10 initial procurement plan its proposed tariffs through which  
11 its costs of procuring power that are incurred pursuant to a  
12 Commission-approved procurement plan and those other costs  
13 identified in this subsection (l), will be recovered. The  
14 tariffs shall include a formula rate or charge designed to  
15 pass through both the costs incurred by the utility in  
16 procuring a supply of electric power and energy for the  
17 applicable customer classes with no mark-up or return on the  
18 price paid by the utility for that supply, plus any just and  
19 reasonable costs that the utility incurs in arranging and  
20 providing for the supply of electric power and energy. The  
21 formula rate or charge shall also contain provisions that  
22 ensure that its application does not result in over or under  
23 recovery due to changes in customer usage and demand patterns,  
24 and that provide for the correction, on at least an annual  
25 basis, of any accounting errors that may occur. A utility  
26 shall recover through the tariff all reasonable costs incurred

1 to implement or comply with any procurement plan that is  
2 developed and put into effect pursuant to Section 1-75 of the  
3 Illinois Power Agency Act and this Section, and for the  
4 procurement of renewable energy credits pursuant to subsection  
5 (c-5) of Section 1-75 of the Illinois Power Agency Act,  
6 including any fees assessed by the Illinois Power Agency,  
7 costs associated with load balancing, and contingency plan  
8 costs. The electric utility shall also recover its full costs  
9 of procuring electric supply for which it contracted before  
10 the effective date of this Section in conjunction with the  
11 provision of full requirements service under fixed-price  
12 bundled service tariffs subsequent to December 31, 2006. All  
13 such costs shall be deemed to have been prudently incurred.  
14 The pass-through tariffs that are filed and approved pursuant  
15 to this Section shall not be subject to review under, or in any  
16 way limited by, Section 16-111(i) of this Act. All of the costs  
17 incurred by the electric utility associated with the purchase  
18 of zero emission credits in accordance with subsection (d-5)  
19 of Section 1-75 of the Illinois Power Agency Act, all costs  
20 incurred by the electric utility associated with the purchase  
21 of carbon mitigation credits in accordance with subsection  
22 (d-10) of Section 1-75 of the Illinois Power Agency Act, and,  
23 beginning June 1, 2017, all of the costs incurred by the  
24 electric utility associated with the purchase of renewable  
25 energy resources in accordance with Sections 1-56 and 1-75 of  
26 the Illinois Power Agency Act, ~~and~~ all of the costs incurred by

1 the electric utility in purchasing renewable energy credits in  
2 accordance with subsection (c-5) of Section 1-75 of the  
3 Illinois Power Agency Act, and all costs incurred by the  
4 electric utility in purchasing energy storage resources in  
5 accordance with Section 1-93 of the Illinois Power Agency Act  
6 shall be recovered through the electric utility's tariffed  
7 charges applicable to all of its retail customers, as  
8 specified in subsection (k) or subsection (i-5), as  
9 applicable, of Section 16-108 of this Act, and shall not be  
10 recovered through the electric utility's tariffed charges for  
11 electric power and energy supply to its eligible retail  
12 customers.

13 (m) The Commission has the authority to adopt rules to  
14 carry out the provisions of this Section. For the public  
15 interest, safety, and welfare, the Commission also has  
16 authority to adopt rules to carry out the provisions of this  
17 Section on an emergency basis immediately following August 28,  
18 2007 (the effective date of Public Act 95-481).

19 (n) Notwithstanding any other provision of this Act, any  
20 affiliated electric utilities that submit a single procurement  
21 plan covering their combined needs may procure for those  
22 combined needs in conjunction with that plan, and may enter  
23 jointly into power supply contracts, purchases, and other  
24 procurement arrangements, and allocate capacity and energy and  
25 cost responsibility therefor among themselves in proportion to  
26 their requirements.

1           (o) On or before June 1 of each year, the Commission shall  
2 hold an informal hearing for the purpose of receiving comments  
3 on the prior year's procurement process and any  
4 recommendations for change.

5           (p) An electric utility subject to this Section may  
6 propose to invest, lease, own, or operate an electric  
7 generation facility as part of its procurement plan, provided  
8 the utility demonstrates that such facility is the least-cost  
9 option to provide electric service to those retail customers  
10 included in the plan's electric supply service requirements.  
11 If the facility is shown to be the least-cost option and is  
12 included in a procurement plan prepared in accordance with  
13 Section 1-75 of the Illinois Power Agency Act and this  
14 Section, then the electric utility shall make a filing  
15 pursuant to Section 8-406 of this Act, and may request of the  
16 Commission any statutory relief required thereunder. If the  
17 Commission grants all of the necessary approvals for the  
18 proposed facility, such supply shall thereafter be considered  
19 as a pre-existing contract under subsection (b) of this  
20 Section. The Commission shall in any order approving a  
21 proposal under this subsection specify how the utility will  
22 recover the prudently incurred costs of investing in, leasing,  
23 owning, or operating such generation facility through just and  
24 reasonable rates charged to those retail customers included in  
25 the plan's electric supply service requirements. Cost recovery  
26 for facilities included in the utility's procurement plan

1 pursuant to this subsection shall not be subject to review  
2 under or in any way limited by the provisions of Section  
3 16-111(i) of this Act. Nothing in this Section is intended to  
4 prohibit a utility from filing for a fuel adjustment clause as  
5 is otherwise permitted under Section 9-220 of this Act.

6 (q) If the Illinois Power Agency filed with the  
7 Commission, under Section 16-111.5 of this Act, its proposed  
8 procurement plan for the period commencing June 1, 2017, and  
9 the Commission has not yet entered its final order approving  
10 the plan on or before the effective date of this amendatory Act  
11 of the 99th General Assembly, then the Illinois Power Agency  
12 shall file a notice of withdrawal with the Commission, after  
13 the effective date of this amendatory Act of the 99th General  
14 Assembly, to withdraw the proposed procurement of renewable  
15 energy resources to be approved under the plan, other than the  
16 procurement of renewable energy credits from distributed  
17 renewable energy generation devices using funds previously  
18 collected from electric utilities' retail customers that take  
19 service pursuant to electric utilities' hourly pricing tariff  
20 or tariffs and, for an electric utility that serves less than  
21 100,000 retail customers in the State, other than the  
22 procurement of renewable energy credits from distributed  
23 renewable energy generation devices. Upon receipt of the  
24 notice, the Commission shall enter an order that approves the  
25 withdrawal of the proposed procurement of renewable energy  
26 resources from the plan. The initially proposed procurement of

1 renewable energy resources shall not be approved or be the  
2 subject of any further hearing, investigation, proceeding, or  
3 order of any kind.

4 This amendatory Act of the 99th General Assembly preempts  
5 and supersedes any order entered by the Commission that  
6 approved the Illinois Power Agency's procurement plan for the  
7 period commencing June 1, 2017, to the extent it is  
8 inconsistent with the provisions of this amendatory Act of the  
9 99th General Assembly. To the extent any previously entered  
10 order approved the procurement of renewable energy resources,  
11 the portion of that order approving the procurement shall be  
12 void, other than the procurement of renewable energy credits  
13 from distributed renewable energy generation devices using  
14 funds previously collected from electric utilities' retail  
15 customers that take service under electric utilities' hourly  
16 pricing tariff or tariffs and, for an electric utility that  
17 serves less than 100,000 retail customers in the State, other  
18 than the procurement of renewable energy credits for  
19 distributed renewable energy generation devices.

20 (Source: P.A. 102-662, eff. 9-15-21.)

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