



Rep. Jay Hoffman

**Filed: 9/19/2025**

10400SB0025ham002

LRB104 07069 AAS 28576 a

1 AMENDMENT TO SENATE BILL 25

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 25 by replacing  
3 everything after the enacting clause with the following:

4 "ARTICLE 1.

5 Section 1-1. Short title. This Article may be cited as the  
6 Municipal and Cooperative Electric Utility Transparent  
7 Planning Act. References in this Article to "this Act" mean  
8 this Article.

9 Section 1-5. Legislative findings and objectives. The  
10 General Assembly finds:

11 (1) Municipal and cooperative electric utilities  
12 provide electricity to more than 1,000,000 State  
13 residents.

14 (2) Municipal utilities are public bodies governed and  
15 managed by elected public officials or their appointees.

1 Electric cooperatives are not-for-profit, member-owned  
2 entities governed and managed by elected boards of  
3 directors chosen by their member consumers. Due to their  
4 governance structures, municipal and cooperative electric  
5 utilities are exempt from certain regulatory requirements  
6 under State and federal law.

7 (3) Because democratic elections by member-ratepayers  
8 or customers are the ultimate guarantor of the integrity  
9 and cost-effectiveness of these utilities' operations,  
10 access to information and decision-making is crucial to  
11 ensuring management of these utilities is prudent and  
12 responsive.

13 (4) While not always applicable to municipal and  
14 electric cooperatives, integrated resource planning  
15 processes have been used in other states to attempt to  
16 avoid capacity shortfalls, minimize ratepayer costs, and  
17 increase public participation in and knowledge of electric  
18 generation portfolio choices.

19 (5) It is in the long-term best interests of State  
20 electricity customers and member-ratepayers that  
21 electricity is provided by a diverse portfolio of  
22 generation resources that may include generation  
23 ownership, power supply contracts, storage resources, and  
24 demand-side programs that minimizes costs and strives to  
25 ensure reliable service to customers while considering  
26 environmental impacts and that long-term utility planning

1 can help facilitate the achievement of reasonable and  
2 stable rates, reliability, and State and federal  
3 environmental law through such portfolios.

4 (6) Municipal and electric cooperatives utilities  
5 should perform a comprehensive analysis of their existing  
6 portfolio and identify opportunities to minimize  
7 member-ratepayer and customer costs while maintaining  
8 reliability and meeting State and federal environmental  
9 law.

10 (7) To ensure utilities minimize ratepayer costs while  
11 maintaining reliability and meeting State and federal  
12 environmental law, and to increase transparency and  
13 democratic participation, it is important that municipal  
14 and cooperative electric utilities participate in an  
15 integrated resource planning process with meaningful and  
16 appropriate participation and engagement.

17 Section 1-10. Definitions. As used in this Act:

18 "Agency" means the Illinois Power Agency.

19 "Demand-side program" means a program implemented by or on  
20 behalf of a utility to reduce retail customer consumption  
21 (MWh) or shift the time of consumption of energy (MW) from end  
22 users, including energy efficiency programs, demand-response  
23 programs, and programs for the promotion or aggregation of  
24 distributed generation.

25 "Electric cooperative" has the meaning given to that term

1 in Section 3-119 of the Public Utilities Act.

2 "Generation resource" means a facility for the generation  
3 of electricity.

4 "Integrated resource plan" or "IRP" means the planning  
5 process for a municipal power agency, municipality, or  
6 electric cooperative to evaluate energy supply and demand in  
7 order to meet long-term energy needs while minimizing costs  
8 and complying with federal and State environmental  
9 requirements, consistent with this Act.

10 "Municipality" has the meaning given to that term in  
11 Section 11-119.1-3 of the Illinois Municipal Code.

12 "Municipal power agency" has the meaning given to that  
13 term in Section 11-119.1-3 of the Illinois Municipal Code  
14 excluding single project municipal power agencies that do not  
15 plan for the full requirements of their members.

16 "Renewable generation resource" means a resource for  
17 generating electricity that uses wind, solar, hydro, or  
18 geothermal energy.

19 "Storage resource" means a commercially available  
20 technology that uses mechanical, chemical, or thermal  
21 processes to store energy and deliver the stored energy as  
22 electricity for use at a later time and is capable of being  
23 controlled by the distribution or transmission entity managing  
24 it, to enable and optimize the safe and reliable operation of  
25 the electric system.

26 "Utility" means a municipal power agency, municipality, or

1 electric cooperative, including a generation and transmission  
2 electric cooperative that provides wholesale electricity to  
3 one or more distribution electric cooperatives.

4 Section 1-15. Purpose and contents of integrated resource  
5 plan.

6 (a) Beginning on or before January 1, 2027, and every 5  
7 years thereafter on or before January 1, all generation and  
8 transmission electric cooperatives with members in this State,  
9 all municipal power agencies, and all municipalities and  
10 distribution electric cooperatives that provide electricity  
11 for service to more than 7,000 retail electric customer meters  
12 shall initiate an integrated resource planning process to  
13 prepare and issue a preliminary integrated resource plan to be  
14 posted on its website by January 1 of the following year.  
15 Municipalities and electric cooperatives that are members of,  
16 and have a full requirements contract with, a municipal power  
17 agency or generation and transmission electric cooperative may  
18 adopt the integrated resource plan of such other utility. In  
19 the alternative, a municipality or electric cooperative that  
20 is a member of, and has other than a full requirements contract  
21 with, a municipal power agency or generation and transmission  
22 electric cooperative may include the resources or resource  
23 planning of the municipal power agency or generation and  
24 transmission electric cooperative in its integrated resource  
25 plan, and the municipal power agency or generation and

1 transmission electric cooperative may adopt such  
2 municipality's or electric cooperative's integrated resource  
3 plan. An integrated resource plan completed by a utility on or  
4 after January 1, 2024 shall satisfy the first integrated  
5 resource plan requirement if it meets the criteria set forth  
6 in subsections (b) through (d).

7 (b) The purposes of the integrated resource plan are to  
8 consider and evaluate the utility's current portfolio,  
9 including electrical generation, power supply contracts,  
10 storage, and demand-side programs; to forecast future load  
11 changes; to facilitate prudent planning with respect to  
12 reliability, resources, energy and capacity procurements,  
13 power supply contract expiration, and timing of generation  
14 retirement; to determine what resource portfolio will maintain  
15 reliability consistent with RTO obligations; to minimize cost  
16 and meet State and federal environmental law; and to  
17 articulate steps the utility will take to minimize customer  
18 costs and consider environmental impacts through changes to  
19 its current generation portfolio through construction,  
20 procurement, retirement, demand-side programs, or other  
21 applicable technology or processes.

22 (c) As part of the integrated resource plan development  
23 process, a utility shall consider all resources reasonably  
24 available or reasonably likely to be available during the  
25 relevant time period to satisfy the demand for electricity  
26 services for a planning period of at least 5 years, taking into

1 account both supply-side and demand-side electric power  
2 resources and cost and benefits projections for at least the  
3 next 20 years.

4 (d) A utility may include the results of an all-source  
5 request for proposals for generation resources and capacity  
6 contracts for delivery beginning within the next 5 years in  
7 its integrated resource plan. If the utility chooses not to  
8 include such results, the utility must provide notice to the  
9 utility's ratepayers upon issuance of the integrated resource  
10 plan that states why the utility has chosen not to include the  
11 results. A utility also shall include the following, at a  
12 minimum, in its integrated resource plan:

13 (1) A list of all electricity generation facilities  
14 owned by the utility, in whole or in part. For each such  
15 facility, the integrated resource plan shall report:

16 (A) general location;

17 (B) ownership information, if ownership is shared  
18 with another entity;

19 (C) type of fuel;

20 (D) the date of commercial operation;

21 (E) expected useful life;

22 (F) expected retirement date for any resource  
23 expected to retire within the next 8 years, and an  
24 explanation of the reason for the retirement;

25 (G) nameplate, maximum output, and accredited  
26 capacity;

1 (H) total MWh generated at the facility during the  
2 previous calendar year;

3 (I) the date on which the facility is anticipated  
4 to be fully depreciated; and

5 (J) any known and measurable compliance  
6 obligations, or compliance obligations reasonably  
7 expected to apply within the next 8 years, and an  
8 estimate of reasonably anticipated expenditures  
9 intended to meet those obligations.

10 (2) A list of all power purchase agreements to which  
11 the utility is a party, whether as purchaser or seller,  
12 including the following, if specified: the counterparty,  
13 general location and type of generation resource providing  
14 power per the agreement, date on which the agreement was  
15 entered into, duration of the agreement, and the energy  
16 and capacity terms of the agreement.

17 (3) A list of any sale transactions of any capacity to  
18 any purchaser.

19 (4) A list of any demand-side programs and known  
20 distributed generation.

21 (5) A narrative description of all existing  
22 transmission facilities owned by the utility, in whole or  
23 in part, that identifies anticipated transmission  
24 constraints or critical contingencies, and identification  
25 of the regional transmission organization, if any, that  
26 exercises operational control over the transmission



1 facility.

2 (6) A description of all transmission investment  
3 costs, disaggregated by expenditure, related to  
4 interconnection costs and other transmission system  
5 upgrades associated with a new generating resource or  
6 increased injection rights from an existing generating  
7 resource costing greater than \$1,000,000 over the term of  
8 the agreement.

9 (7) A copy of the most recent FERC Form 1 filed by the  
10 utility. If no such FERC Form 1 has been filed, the utility  
11 shall provide Form EIA 860, Form EIA 861, Form EIA 412, or  
12 information applicable to the utility included in the  
13 sections of FERC Form 1 or Form EIA 412 relating to  
14 electric operating revenues, sales for resale, electric  
15 operating and maintenance expenses, purchased power,  
16 common utility plant and expenses, and electric energy  
17 accounts for the prior calendar year. The utility shall  
18 not be required to disclose any information required to be  
19 protected from disclosure by the regional transmission  
20 organizations.

21 (8) A range of load forecasts for the 5-year planning  
22 period that incorporate varying assumptions regarding  
23 electrification, economic growth, new regulation, and  
24 major new customers, sufficient for capacity planning for  
25 the utility. Such forecasts shall include:

26 (A) all relevant underlying assumptions;

1 (B) (i) historical analysis of hourly loads  
2 consistent with NERC and regional transmission  
3 organization reporting requirements; (ii) known or  
4 projected changes to future loads; and (iii) growth  
5 forecasts and trends by customer class or load type;

6 (C) analysis of the annual capacity and energy  
7 impact of any demand-side programs, and energy  
8 efficiency programs both current and projected;

9 (D) any reserve margin or other obligations placed  
10 on the utility by regional transmission organizations  
11 or other entity responsible for reliability standards  
12 under State or federal law; and

13 (E) a comparison of past load forecasts and actual  
14 realized load and a brief narrative description of any  
15 unforeseen events to which any discrepancy may be  
16 attributed.

17 (9) A 5-year action plan for meeting the forecasted  
18 load that reasonably minimizes customer cost taking into  
19 account load, fuel price, and regulatory uncertainty, that  
20 ensures reliability consistent with RTO obligations, and  
21 meets State and federal environmental law. As part of the  
22 action plan, the utility shall:

23 (A) Identify any generation or storage resources  
24 reasonably anticipated to be removed from service in  
25 the 5 years following the date on which the integrated  
26 resource plan is due to be completed.

1           (B) Determine whether given forecasted load growth  
2           or unit retirements, or both, the utility will need to  
3           procure additional accredited capacity and energy, and  
4           provide a quantitative estimate of any such gap  
5           between forecasted load and supply-side resources.

6           (C) Provide a narrative description of the  
7           utility's process for evaluating possible resources to  
8           secure additional needed capacity and energy.

9           (D) Provide a narrative description of the  
10          utility's processes for assessing the economic value  
11          of existing generation; and consistent with these  
12          processes, explain whether any currently operating  
13          units could be replaced by other resources at lower  
14          cost to ratepayers while maintaining reliability.

15          (E) Identify a preferred portfolio of generation  
16          resources, which may include storage, and demand-side  
17          programs that, in the utility's judgment, meets its  
18          forecasted load and complies with State and federal  
19          environmental law, while minimizing ratepayer cost to  
20          the extent reasonably achievable in the planning  
21          period covered by the action plan. The portfolio shall  
22          incorporate any accredited capacity or other  
23          reliability requirements of any regional transmission  
24          organization of which the utility is a member.

25          (F) Describe any anticipated capital expenditures  
26          by the utility in excess of \$1,000,000 at existing

1 generation facilities and the reason for such  
2 expenditures.

3 (10) A description of all models and methodologies  
4 used in performing the integrated resource planning  
5 process. The utility shall provide, to any member of a  
6 joint action agency or member of a generation and  
7 transmission electric cooperative, reasonable access to  
8 computer models used in the analysis that are not  
9 proprietary to the owner of the model, such as software  
10 that cannot be used without a licensing agreement, or  
11 otherwise subject to confidentiality by the modeler.

12 (e) As part of the initial integrated resource plan, the  
13 utility shall identify all programs, grants, loans, or tax  
14 benefits for which the utility has applied for or plans to  
15 apply for pursuant to the federal Inflation Reduction Act of  
16 2022 and shall state whether the utility has applied for or  
17 otherwise used the program, grant, loan, or tax benefit.

18 (f) Each utility shall consider and include, as part of  
19 its integrated resource plan, technically feasible least-cost  
20 portfolio scenarios, consistent with RTO reliability  
21 obligations, for constructing or procuring renewable energy  
22 resources to meet 40% of its energy needs by 2030, meeting the  
23 emissions reductions requirements under Public Act 102-662,  
24 and supplying 100% of its total projected load through  
25 carbon-free resources in combination with storage resources  
26 and demand-side programs by 2045.

1           Section 1-20. Stakeholder process for municipal power  
2 agencies and municipalities. Prior to the issuance of a final  
3 integrated resource plan, a municipal power agency or  
4 municipality required to prepare and issue an integrated  
5 resource plan shall hold one or more stakeholder meetings open  
6 to the municipal power agency's or municipality's ratepayers  
7 and members of the public before it issues a preliminary  
8 integrated resource plan and one or more such stakeholder  
9 meetings after the preliminary integrated resource plan is  
10 issued.

11           Notice of the meetings shall be posted to the municipal  
12 power agency's or municipality's website and notice of the  
13 initial meeting to customers through the normal billing  
14 process not less than 30 days prior to the initial meeting, and  
15 any municipality planning to adopt a municipal power agency's  
16 final integrated resource plan shall post the notice to its  
17 website or a link to the notice on the municipality's website  
18 and provide notice of the municipal power agency's initial  
19 meeting to customers through the normal billing process not  
20 less than 30 days prior to the initial meeting. During the  
21 first meeting the municipal power agency or municipality shall  
22 describe its proposed processes for developing the integrated  
23 resource plan and its core assumptions and constraints. In  
24 subsequent meetings, either before or after the preliminary  
25 integrated resource plan is issued, the municipal power agency

1 or municipality shall present its proposed preferred  
2 portfolio, and describe any planned retirements, capital  
3 expenditures on existing generation resources likely to exceed  
4 \$1,000,000, and planned construction. Each meeting shall  
5 provide opportunity for meaningful public engagement including  
6 reasonable time to ask questions, have those questions  
7 answered, and to provide public comment. Meetings shall be  
8 held at times accessible for working residents and shall be  
9 recorded, and the municipal power agency or municipality may  
10 consider language interpretation needs for non-English  
11 speaking ratepayers in areas with a significant proportion of  
12 non-English speaking residents. Following the meeting, the  
13 municipal power agency or municipality shall provide attendees  
14 with a reasonable means of providing public comment in writing  
15 and of accessing the recording.

16 Section 1-25. Procedures for preliminary and final  
17 integrated resource plans for municipal power agencies and  
18 municipalities.

19 (a) Each municipal power agency or municipality shall  
20 issue its preliminary integrated resource plan, as set forth  
21 in this Act, and post it publicly to the website maintained by  
22 the municipal power agency or municipality by January 1, 12  
23 months following the date of the calendar year for which the  
24 planning is required to begin. Any municipality planning to  
25 adopt a municipal power agency's final integrated resource

1 plan shall post the preliminary integrated resource plan  
2 publicly to its website or a link to it on the municipality's  
3 website.

4 (b) The municipal power agency or municipality shall  
5 facilitate public comment on the preliminary integrated  
6 resource plan, as follows:

7 (1) upon issuance of the preliminary integrated  
8 resource plan, the municipal power agency or municipality  
9 and any municipality planning to adopt a municipal power  
10 agency's final integrated resource plan shall post the  
11 preliminary integrated resource plan or a link to it  
12 publicly on its website. The plan shall remain publicly  
13 accessible for at least 60 days;

14 (2) the municipal power agency or municipality shall  
15 hold one or more public meetings, in person with remote  
16 access, where it shall make a representative available to  
17 address questions about the preliminary integrated  
18 resource plan. The meetings shall be held no sooner than  
19 15 days, and no later than 45 days, after the preliminary  
20 integrated resource plan is made available to the public;

21 (3) the municipal power agency or municipality shall  
22 accept public comments on the preliminary integrated  
23 resource plan for 30 days following its public posting via  
24 website, email, or mail. The municipal power agency or  
25 municipality may extend this public comment period by an  
26 additional 30 days upon request by ratepayers of the

1 municipal power agency or municipality or any entity that  
2 plans to adopt the municipal power agency's or  
3 municipality's final integrated resource plan; and

4 (4) The municipal power agency or municipality shall  
5 review public comments and provide responses that  
6 reasonably address all relevant issues or questions raised  
7 by such comments. The municipal power agency or  
8 municipality may modify its preliminary integrated  
9 resource plan in response to these comments. The municipal  
10 power agency or municipality shall prepare a document with  
11 responses to public comments and submit this response  
12 document to the Agency no later than 90 days after the  
13 close of the comment period. This response document shall  
14 be posted publicly on the municipality's or municipal  
15 power agency's websites, as relevant, and on the website  
16 of the Illinois Power Agency's website along with the  
17 preliminary integrated resource plan, as submitted, and  
18 any revisions made by the municipal power agency or  
19 municipality in response to public comments.

20 (c) The Illinois Power Agency shall maintain public access  
21 to all integrated resource plans submitted pursuant to this  
22 Act, accessible through the Illinois Power Agency's website,  
23 for no less than 10 years following each integrated resource  
24 plan's initial submission.

25 Section 1-27. Member input and process for electric



1 cooperatives completing an integrated resource plan.

2 (a) Each electric cooperative completing an integrated  
3 resource plan shall post its preliminary integrated resource  
4 plan on its website no later than 60 days after completion of  
5 the preliminary integrated resource plan. Any distribution  
6 electric cooperative intending to adopt a generation and  
7 transmission cooperative's integrated resource plan pursuant  
8 to Section 1-15 of this Act must also post the preliminary  
9 integrated resource plan or a link to the preliminary  
10 integrated resource plan on its own website. The preliminary  
11 integrated resource plan must remain publicly accessible for  
12 at least 60 days.

13 (b) After posting the preliminary integrated resource  
14 plan, but before completion of a final integrated resource  
15 plan, an electric cooperative preparing such a plan shall hold  
16 at least one meeting open to its members, including members of  
17 any member distribution cooperative and any other electric  
18 cooperative adopting the integrated resource plan. An electric  
19 cooperative intending to adopt the integrated resource plan  
20 pursuant to Section 1-15 of this Act may, but is not required  
21 to, hold its own meeting. If all other provisions of Section  
22 1-15 are met, an electric cooperative may utilize its annual  
23 meeting of members to comply with the meeting requirements set  
24 forth in this Section.

25 (c) Notice of any meeting held pursuant to this Section  
26 shall be posted on the website of any electric cooperative

1 whose members are eligible to attend the meeting and, if  
2 applicable, provided to members through the electric  
3 cooperative's normal billing process or regular communication  
4 channel, at least 30 days prior to the meeting. An electric  
5 cooperative intending to adopt the integrated resource plan  
6 pursuant to Section 1-15 of this Act shall post the meeting  
7 notice on its own website and notify members using the same  
8 timeline and methods.

9 (d) Each meeting shall provide an opportunity for  
10 meaningful member participation, including sufficient time for  
11 members to submit comments, ask questions, and receive  
12 responses. Meetings shall be held at times convenient for  
13 working members. The electric cooperative may consider  
14 language interpretation needs for non-English speaking members  
15 in areas with a significant non-English speaking population.  
16 At a minimum, the electric cooperative shall present the  
17 following information at the meeting:

18 (1) the purpose and process of developing an  
19 integrated resource plan;

20 (2) the electric cooperative's process for developing  
21 the integrated resource plan;

22 (3) the assumptions and scenarios considered by the  
23 electric cooperative;

24 (4) an overview of supply and demand size resources  
25 used to meet energy and capacity needs; and

26 (5) historical energy and capacity data, along with

1 assumptions regarding future load changes.

2 (e) Following the meeting, the electric cooperative shall  
3 provide a reasonable opportunity for members to submit written  
4 comments for at least 30 days. The electric cooperative shall  
5 review written comments and prepare a response document that  
6 summarizes and addresses relevant member comments. The  
7 electric cooperative shall post the response document on its  
8 website within 90 days after the close of the comment period.  
9 The electric cooperative may modify its preliminary integrated  
10 resource plan in response to comments. If the electric  
11 cooperative revises its preliminary integrated resource plan  
12 in response to comments, it shall post the modified  
13 preliminary integrated resource plan on its website.

14 (f) The Illinois Power Agency shall maintain a copy or a  
15 link to an electric cooperative's integrated resource plan  
16 completed pursuant to this Act on the Agency's website, for at  
17 least 10 years from the date of each plan's initial  
18 submission.

19 (g) An electric cooperative completing an integrated  
20 resource plan may select their own consulting firm, complete  
21 internally, or select a prequalified consulting firm from the  
22 list maintained by the Agency.

23 Section 1-30. IRP prequalified consulting firm list.

24 (a) The Illinois Power Agency shall maintain a list of  
25 qualified consulting firms for the purpose of developing

1 integrated resource plans on behalf of the utility. In order  
2 to prequalify a consulting firm must have:

3 (1) direct previous experience preparing integrated  
4 resource plans for utilities; assembling power supply  
5 plans or portfolios for utilities;

6 (2) one or more employees with an advanced degree in  
7 economics, mathematics, engineering, risk management, or a  
8 related area of study;

9 (3) 10 years of experience in the electricity sector;

10 (4) expertise in wholesale electricity market rules,  
11 market planning, market development, and market modeling.  
12 This includes, but is not limited to, expertise in current  
13 and ongoing FERC Order implementation into RTO markets,  
14 RTO governing documents, including, but not limited to,  
15 transmission planning processes, and resource planning;

16 (5) expertise in wholesale electricity market rules,  
17 including those established by the federal Energy  
18 Regulatory Commission and regional transmission  
19 organizations; and

20 (6) adequate resources to perform and fulfill the  
21 required functions and responsibilities.

22 (b) No later than January 1, 2026 or the effective date of  
23 this Act, whichever is later, the Illinois Power Agency shall  
24 issue a Request for Information seeking responses from  
25 consulting firms. Responses will be due within 45 days of that  
26 issuance. The Agency will review responses and within 45 days

1 produce a list of prequalified consulting firms that the  
2 Agency determines meet all of the prequalification  
3 requirements contained in subsection (a) of this Section. A  
4 firm determined not to meet the requirements may request to  
5 submit additional information to the Agency for  
6 reconsideration. If the Agency subsequently determines a firm  
7 meets the requirements, the Agency shall add the firm to the  
8 list.

9 The list will be updated as additional consulting firms  
10 request to be added to the list and the Agency determines they  
11 meet the requirements contained in subsection (a) of this  
12 Section 1-30. The Agency shall not arbitrarily or capriciously  
13 deny inclusion to any qualified vendor that satisfies the  
14 minimum qualifications set forth in this Section 1-30.

15 (c) The Illinois Power Agency shall publish the list of  
16 prequalified consulting firms on its website. Upon request,  
17 the Agency shall also provide each prequalified consulting  
18 firm's response to the Request for Information to the affected  
19 utility.

20 (d) A utility required to submit an integrated resource  
21 plan may select a consulting firm on the Agency's list of  
22 prequalified consulting firms to develop the integrated  
23 resource plan and support stakeholder processes.

24 (e) The utility may apply for funding to offset its costs  
25 for its integrated resource plan through the Small Utility  
26 Clean Energy Planning Grant Program offered through the

1 Illinois Finance Authority in its role as Climate Bank for the  
2 State of Illinois, subject to funding availability or subject  
3 to appropriation, and in accordance with program requirements  
4 and limitations.

5 Section 1-32. Planning purposes of an integrated resource  
6 plan.

7 (a) Nothing in this Act shall be construed to alter any  
8 regulatory authority or jurisdiction of any State agency with  
9 respect to any municipal power agency, municipality, or  
10 cooperative.

11 (b) The submission, posting, or publication of an  
12 integrated resource plan pursuant to this Act shall not create  
13 any binding obligation, commitment, or duty upon the municipal  
14 power agency, municipality, or electric cooperative regarding  
15 the construction, retirement, or operation of any facility, or  
16 the procurement of any resource.

17 (c) Nothing in this Act shall be construed to create a  
18 private right of action to enforce its provisions.

19 Section 1-90. The Open Meetings Act is amended by changing  
20 Section 2 as follows:

21 (5 ILCS 120/2) (from Ch. 102, par. 42)

22 Sec. 2. Open meetings.

23 (a) Openness required. All meetings of public bodies shall

1 be open to the public unless excepted in subsection (c) and  
2 closed in accordance with Section 2a.

3 (b) Construction of exceptions. The exceptions contained  
4 in subsection (c) are in derogation of the requirement that  
5 public bodies meet in the open, and therefore, the exceptions  
6 are to be strictly construed, extending only to subjects  
7 clearly within their scope. The exceptions authorize but do  
8 not require the holding of a closed meeting to discuss a  
9 subject included within an enumerated exception.

10 (c) Exceptions. A public body may hold closed meetings to  
11 consider the following subjects:

12 (1) The appointment, employment, compensation,  
13 discipline, performance, or dismissal of specific  
14 employees, specific individuals who serve as independent  
15 contractors in a park, recreational, or educational  
16 setting, or specific volunteers of the public body or  
17 legal counsel for the public body, including hearing  
18 testimony on a complaint lodged against an employee, a  
19 specific individual who serves as an independent  
20 contractor in a park, recreational, or educational  
21 setting, or a volunteer of the public body or against  
22 legal counsel for the public body to determine its  
23 validity. However, a meeting to consider an increase in  
24 compensation to a specific employee of a public body that  
25 is subject to the Local Government Wage Increase  
26 Transparency Act may not be closed and shall be open to the

1 public and posted and held in accordance with this Act.

2 (2) Collective negotiating matters between the public  
3 body and its employees or their representatives, or  
4 deliberations concerning salary schedules for one or more  
5 classes of employees.

6 (3) The selection of a person to fill a public office,  
7 as defined in this Act, including a vacancy in a public  
8 office, when the public body is given power to appoint  
9 under law or ordinance, or the discipline, performance or  
10 removal of the occupant of a public office, when the  
11 public body is given power to remove the occupant under  
12 law or ordinance.

13 (4) Evidence or testimony presented in open hearing,  
14 or in closed hearing where specifically authorized by law,  
15 to a quasi-adjudicative body, as defined in this Act,  
16 provided that the body prepares and makes available for  
17 public inspection a written decision setting forth its  
18 determinative reasoning.

19 (4.5) Evidence or testimony presented to a school  
20 board regarding denial of admission to school events or  
21 property pursuant to Section 24-24 of the School Code,  
22 provided that the school board prepares and makes  
23 available for public inspection a written decision setting  
24 forth its determinative reasoning.

25 (5) The purchase or lease of real property for the use  
26 of the public body, including meetings held for the



1 purpose of discussing whether a particular parcel should  
2 be acquired.

3 (6) The setting of a price for sale or lease of  
4 property owned by the public body.

5 (7) The sale or purchase of securities, investments,  
6 or investment contracts. This exception shall not apply to  
7 the investment of assets or income of funds deposited into  
8 the Illinois Prepaid Tuition Trust Fund.

9 (8) Security procedures, school building safety and  
10 security, and the use of personnel and equipment to  
11 respond to an actual, a threatened, or a reasonably  
12 potential danger to the safety of employees, students,  
13 staff, the public, or public property.

14 (9) Student disciplinary cases.

15 (10) The placement of individual students in special  
16 education programs and other matters relating to  
17 individual students.

18 (11) Litigation, when an action against, affecting or  
19 on behalf of the particular public body has been filed and  
20 is pending before a court or administrative tribunal, or  
21 when the public body finds that an action is probable or  
22 imminent, in which case the basis for the finding shall be  
23 recorded and entered into the minutes of the closed  
24 meeting.

25 (12) The establishment of reserves or settlement of  
26 claims as provided in the Local Governmental and

1 Governmental Employees Tort Immunity Act, if otherwise the  
2 disposition of a claim or potential claim might be  
3 prejudiced, or the review or discussion of claims, loss or  
4 risk management information, records, data, advice or  
5 communications from or with respect to any insurer of the  
6 public body or any intergovernmental risk management  
7 association or self insurance pool of which the public  
8 body is a member.

9 (13) Conciliation of complaints of discrimination in  
10 the sale or rental of housing, when closed meetings are  
11 authorized by the law or ordinance prescribing fair  
12 housing practices and creating a commission or  
13 administrative agency for their enforcement.

14 (14) Informant sources, the hiring or assignment of  
15 undercover personnel or equipment, or ongoing, prior or  
16 future criminal investigations, when discussed by a public  
17 body with criminal investigatory responsibilities.

18 (15) Professional ethics or performance when  
19 considered by an advisory body appointed to advise a  
20 licensing or regulatory agency on matters germane to the  
21 advisory body's field of competence.

22 (16) Self evaluation, practices and procedures or  
23 professional ethics, when meeting with a representative of  
24 a statewide association of which the public body is a  
25 member.

26 (17) The recruitment, credentialing, discipline or

1 formal peer review of physicians or other health care  
2 professionals, or for the discussion of matters protected  
3 under the federal Patient Safety and Quality Improvement  
4 Act of 2005, and the regulations promulgated thereunder,  
5 including 42 C.F.R. Part 3 (73 FR 70732), or the federal  
6 Health Insurance Portability and Accountability Act of  
7 1996, and the regulations promulgated thereunder,  
8 including 45 C.F.R. Parts 160, 162, and 164, by a  
9 hospital, or other institution providing medical care,  
10 that is operated by the public body.

11 (18) Deliberations for decisions of the Prisoner  
12 Review Board.

13 (19) Review or discussion of applications received  
14 under the Experimental Organ Transplantation Procedures  
15 Act.

16 (20) The classification and discussion of matters  
17 classified as confidential or continued confidential by  
18 the State Government Suggestion Award Board.

19 (21) Discussion of minutes of meetings lawfully closed  
20 under this Act, whether for purposes of approval by the  
21 body of the minutes or semi-annual review of the minutes  
22 as mandated by Section 2.06.

23 (22) Deliberations for decisions of the State  
24 Emergency Medical Services Disciplinary Review Board.

25 (23) The operation by a municipality of a municipal  
26 utility or the operation of a municipal power agency or

1 municipal natural gas agency when the discussion involves:  
2 (i) trade secrets or commercial or financial information  
3 obtained from a person or business where the trade secrets  
4 or commercial or financial information are furnished under  
5 a claim that they are proprietary, privileged, or  
6 confidential, and that disclosure of the trade secrets or  
7 commercial or financial information would cause  
8 competitive harm to the person or business; or  
9 commercially sensitive information contained in offers to  
10 buy or sell made in the competitive markets of a regional  
11 transmission organization; and only insofar as the  
12 discussion relates directly to such trade secrets or  
13 information; (ii) physical or cybersecurity of facilities  
14 or materials designated as Critical Energy/Electric  
15 Infrastructure Information under federal law or  
16 regulation; or (iii) ongoing contract negotiations or  
17 results of a request for proposals relating to the  
18 purchase, sale, or delivery of electricity or natural gas  
19 from nonaffiliate entities; provided however, the  
20 municipality, municipal power agency, or municipal natural  
21 gas agency shall hold at least one public meeting as to any  
22 contract discussed in whole or in part in closed session  
23 prior to final action on the contract. ~~(i) contracts~~  
24 ~~relating to the purchase, sale, or delivery of electricity~~  
25 ~~or natural gas or (ii) the results or conclusions of load~~  
26 ~~forecast studies.~~

1           (24) Meetings of a residential health care facility  
2           resident sexual assault and death review team or the  
3           Executive Council under the Abuse Prevention Review Team  
4           Act.

5           (25) Meetings of an independent team of experts under  
6           Brian's Law.

7           (26) Meetings of a mortality review team appointed  
8           under the Department of Juvenile Justice Mortality Review  
9           Team Act.

10          (27) (Blank).

11          (28) Correspondence and records (i) that may not be  
12          disclosed under Section 11-9 of the Illinois Public Aid  
13          Code or (ii) that pertain to appeals under Section 11-8 of  
14          the Illinois Public Aid Code.

15          (29) Meetings between internal or external auditors  
16          and governmental audit committees, finance committees, and  
17          their equivalents, when the discussion involves internal  
18          control weaknesses, identification of potential fraud risk  
19          areas, known or suspected frauds, and fraud interviews  
20          conducted in accordance with generally accepted auditing  
21          standards of the United States of America.

22          (30) (Blank).

23          (31) Meetings and deliberations for decisions of the  
24          Concealed Carry Licensing Review Board under the Firearm  
25          Concealed Carry Act.

26          (32) Meetings between the Regional Transportation

1 Authority Board and its Service Boards when the discussion  
2 involves review by the Regional Transportation Authority  
3 Board of employment contracts under Section 28d of the  
4 Metropolitan Transit Authority Act and Sections 3A.18 and  
5 3B.26 of the Regional Transportation Authority Act.

6 (33) Those meetings or portions of meetings of the  
7 advisory committee and peer review subcommittee created  
8 under Section 320 of the Illinois Controlled Substances  
9 Act during which specific controlled substance prescriber,  
10 dispenser, or patient information is discussed.

11 (34) Meetings of the Tax Increment Financing Reform  
12 Task Force under Section 2505-800 of the Department of  
13 Revenue Law of the Civil Administrative Code of Illinois.

14 (35) Meetings of the group established to discuss  
15 Medicaid capitation rates under Section 5-30.8 of the  
16 Illinois Public Aid Code.

17 (36) Those deliberations or portions of deliberations  
18 for decisions of the Illinois Gaming Board in which there  
19 is discussed any of the following: (i) personal,  
20 commercial, financial, or other information obtained from  
21 any source that is privileged, proprietary, confidential,  
22 or a trade secret; or (ii) information specifically  
23 exempted from the disclosure by federal or State law.

24 (37) Deliberations for decisions of the Illinois Law  
25 Enforcement Training Standards Board, the Certification  
26 Review Panel, and the Illinois State Police Merit Board

1 regarding certification and decertification.

2 (38) Meetings of the Ad Hoc Statewide Domestic  
3 Violence Fatality Review Committee of the Illinois  
4 Criminal Justice Information Authority Board that occur in  
5 closed executive session under subsection (d) of Section  
6 35 of the Domestic Violence Fatality Review Act.

7 (39) Meetings of the regional review teams under  
8 subsection (a) of Section 75 of the Domestic Violence  
9 Fatality Review Act.

10 (40) Meetings of the Firearm Owner's Identification  
11 Card Review Board under Section 10 of the Firearm Owners  
12 Identification Card Act.

13 (d) Definitions. For purposes of this Section:

14 "Employee" means a person employed by a public body whose  
15 relationship with the public body constitutes an  
16 employer-employee relationship under the usual common law  
17 rules, and who is not an independent contractor.

18 "Public office" means a position created by or under the  
19 Constitution or laws of this State, the occupant of which is  
20 charged with the exercise of some portion of the sovereign  
21 power of this State. The term "public office" shall include  
22 members of the public body, but it shall not include  
23 organizational positions filled by members thereof, whether  
24 established by law or by a public body itself, that exist to  
25 assist the body in the conduct of its business.

26 "Quasi-adjudicative body" means an administrative body

1 charged by law or ordinance with the responsibility to conduct  
2 hearings, receive evidence or testimony and make  
3 determinations based thereon, but does not include local  
4 electoral boards when such bodies are considering petition  
5 challenges.

6 (e) Final action. No final action may be taken at a closed  
7 meeting. Final action shall be preceded by a public recital of  
8 the nature of the matter being considered and other  
9 information that will inform the public of the business being  
10 conducted.

11 (Source: P.A. 102-237, eff. 1-1-22; 102-520, eff. 8-20-21;  
12 102-558, eff. 8-20-21; 102-813, eff. 5-13-22; 103-311, eff.  
13 7-28-23; 103-626, eff. 1-1-25.)

14 Section 1-95. The Public Utilities Act is amended by  
15 changing Section 8-406 as follows:

16 (220 ILCS 5/8-406) (from Ch. 111 2/3, par. 8-406)

17 Sec. 8-406. Certificate of public convenience and  
18 necessity.

19 (a) No public utility not owning any city or village  
20 franchise nor engaged in performing any public service or in  
21 furnishing any product or commodity within this State as of  
22 July 1, 1921 and not possessing a certificate of public  
23 convenience and necessity from the Illinois Commerce  
24 Commission, the State Public Utilities Commission, or the



1 Public Utilities Commission, at the time Public Act 84-617  
2 goes into effect (January 1, 1986), shall transact any  
3 business in this State until it shall have obtained a  
4 certificate from the Commission that public convenience and  
5 necessity require the transaction of such business. A  
6 certificate of public convenience and necessity requiring the  
7 transaction of public utility business in any area of this  
8 State shall include authorization to the public utility  
9 receiving the certificate of public convenience and necessity  
10 to construct such plant, equipment, property, or facility as  
11 is provided for under the terms and conditions of its tariff  
12 and as is necessary to provide utility service and carry out  
13 the transaction of public utility business by the public  
14 utility in the designated area.

15 (b) No public utility shall begin the construction of any  
16 new plant, equipment, property, or facility which is not in  
17 substitution of any existing plant, equipment, property, or  
18 facility, or any extension or alteration thereof or in  
19 addition thereto, unless and until it shall have obtained from  
20 the Commission a certificate that public convenience and  
21 necessity require such construction. Whenever after a hearing  
22 the Commission determines that any new construction or the  
23 transaction of any business by a public utility will promote  
24 the public convenience and is necessary thereto, it shall have  
25 the power to issue certificates of public convenience and  
26 necessity. The Commission shall determine that proposed

1 construction will promote the public convenience and necessity  
2 only if the utility demonstrates: (1) that the proposed  
3 construction is necessary to provide adequate, reliable, and  
4 efficient service to its customers and is the least-cost means  
5 of satisfying the service needs of its customers or that the  
6 proposed construction will promote the development of an  
7 effectively competitive electricity market that operates  
8 efficiently, is equitable to all customers, and is the least  
9 cost means of satisfying those objectives; (2) that the  
10 utility is capable of efficiently managing and supervising the  
11 construction process and has taken sufficient action to ensure  
12 adequate and efficient construction and supervision thereof;  
13 and (3) that the utility is capable of financing the proposed  
14 construction without significant adverse financial  
15 consequences for the utility or its customers.

16 (b-5) As used in this subsection (b-5):

17 "Qualifying direct current applicant" means an entity that  
18 seeks to provide direct current bulk transmission service for  
19 the purpose of transporting electric energy in interstate  
20 commerce.

21 "Qualifying direct current project" means a high voltage  
22 direct current electric service line that crosses at least one  
23 Illinois border, the Illinois portion of which is physically  
24 located within the region of the Midcontinent Independent  
25 System Operator, Inc., or its successor organization, and runs  
26 through the counties of Pike, Scott, Greene, Macoupin,

1 Montgomery, Christian, Shelby, Cumberland, and Clark, is  
2 capable of transmitting electricity at voltages of 345  
3 kilovolts or above, and may also include associated  
4 interconnected alternating current interconnection facilities  
5 in this State that are part of the proposed project and  
6 reasonably necessary to connect the project with other  
7 portions of the grid.

8 Notwithstanding any other provision of this Act, a  
9 qualifying direct current applicant that does not own,  
10 control, operate, or manage, within this State, any plant,  
11 equipment, or property used or to be used for the transmission  
12 of electricity at the time of its application or of the  
13 Commission's order may file an application on or before  
14 December 31, 2023 with the Commission pursuant to this Section  
15 or Section 8-406.1 for, and the Commission may grant, a  
16 certificate of public convenience and necessity to construct,  
17 operate, and maintain a qualifying direct current project. The  
18 qualifying direct current applicant may also include in the  
19 application requests for authority under Section 8-503. The  
20 Commission shall grant the application for a certificate of  
21 public convenience and necessity and requests for authority  
22 under Section 8-503 if it finds that the qualifying direct  
23 current applicant and the proposed qualifying direct current  
24 project satisfy the requirements of this subsection and  
25 otherwise satisfy the criteria of this Section or Section  
26 8-406.1 and the criteria of Section 8-503, as applicable to

1 the application and to the extent such criteria are not  
2 superseded by the provisions of this subsection. The  
3 Commission's order on the application for the certificate of  
4 public convenience and necessity shall also include the  
5 Commission's findings and determinations on the request or  
6 requests for authority pursuant to Section 8-503. Prior to  
7 filing its application under either this Section or Section  
8 8-406.1, the qualifying direct current applicant shall conduct  
9 3 public meetings in accordance with subsection (h) of this  
10 Section. If the qualifying direct current applicant  
11 demonstrates in its application that the proposed qualifying  
12 direct current project is designed to deliver electricity to a  
13 point or points on the electric transmission grid in either or  
14 both the PJM Interconnection, LLC or the Midcontinent  
15 Independent System Operator, Inc., or their respective  
16 successor organizations, the proposed qualifying direct  
17 current project shall be deemed to be, and the Commission  
18 shall find it to be, for public use. If the qualifying direct  
19 current applicant further demonstrates in its application that  
20 the proposed transmission project has a capacity of 1,000  
21 megawatts or larger and a voltage level of 345 kilovolts or  
22 greater, the proposed transmission project shall be deemed to  
23 satisfy, and the Commission shall find that it satisfies, the  
24 criteria stated in item (1) of subsection (b) of this Section  
25 or in paragraph (1) of subsection (f) of Section 8-406.1, as  
26 applicable to the application, without the taking of

1 additional evidence on these criteria. Prior to the transfer  
2 of functional control of any transmission assets to a regional  
3 transmission organization, a qualifying direct current  
4 applicant shall request Commission approval to join a regional  
5 transmission organization in an application filed pursuant to  
6 this subsection (b-5) or separately pursuant to Section 7-102  
7 of this Act. The Commission may grant permission to a  
8 qualifying direct current applicant to join a regional  
9 transmission organization if it finds that the membership, and  
10 associated transfer of functional control of transmission  
11 assets, benefits Illinois customers in light of the attendant  
12 costs and is otherwise in the public interest. Nothing in this  
13 subsection (b-5) requires a qualifying direct current  
14 applicant to join a regional transmission organization.  
15 Nothing in this subsection (b-5) requires the owner or  
16 operator of a high voltage direct current transmission line  
17 that is not a qualifying direct current project to obtain a  
18 certificate of public convenience and necessity to the extent  
19 it is not otherwise required by this Section 8-406 or any other  
20 provision of this Act.

21 (c) As used in this subsection (c):

22 "Decommissioning" has the meaning given to that term in  
23 subsection (a) of Section 8-508.1.

24 "Nuclear power reactor" has the meaning given to that term  
25 in Section 8 of the Nuclear Safety Law of 2004.

26 After the effective date of this amendatory Act of the

1 103rd General Assembly, no construction shall commence on any  
2 new nuclear power reactor with a nameplate capacity of more  
3 than 300 megawatts of electricity to be located within this  
4 State, and no certificate of public convenience and necessity  
5 or other authorization shall be issued therefor by the  
6 Commission, until the Illinois Emergency Management Agency and  
7 Office of Homeland Security, in consultation with the Illinois  
8 Environmental Protection Agency and the Illinois Department of  
9 Natural Resources, finds that the United States Government,  
10 through its authorized agency, has identified and approved a  
11 demonstrable technology or means for the disposal of high  
12 level nuclear waste, or until such construction has been  
13 specifically approved by a statute enacted by the General  
14 Assembly. Beginning January 1, 2026, construction may commence  
15 on a new nuclear power reactor with a nameplate capacity of 300  
16 megawatts of electricity or less within this State if the  
17 entity constructing the new nuclear power reactor has obtained  
18 all permits, licenses, permissions, or approvals governing the  
19 construction, operation, and funding of decommissioning of  
20 such nuclear power reactors required by: (1) this Act; (2) any  
21 rules adopted by the Illinois Emergency Management Agency and  
22 Office of Homeland Security under the authority of this Act;  
23 (3) any applicable federal statutes, including, but not  
24 limited to, the Atomic Energy Act of 1954, the Energy  
25 Reorganization Act of 1974, the Low-Level Radioactive Waste  
26 Policy Amendments Act of 1985, and the Energy Policy Act of

1 1992; (4) any regulations promulgated or enforced by the U.S.  
2 Nuclear Regulatory Commission, including, but not limited to,  
3 those codified at Title X, Parts 20, 30, 40, 50, 70, and 72 of  
4 the Code of Federal Regulations, as from time to time amended;  
5 and (5) any other federal or State statute, rule, or  
6 regulation governing the permitting, licensing, operation, or  
7 decommissioning of such nuclear power reactors. None of the  
8 rules developed by the Illinois Emergency Management Agency  
9 and Office of Homeland Security or any other State agency,  
10 board, or commission pursuant to this Act shall be construed  
11 to supersede the authority of the U.S. Nuclear Regulatory  
12 Commission. The changes made by this amendatory Act of the  
13 103rd General Assembly shall not apply to the uprate, renewal,  
14 or subsequent renewal of any license for an existing nuclear  
15 power reactor that began operation prior to the effective date  
16 of this amendatory Act of the 103rd General Assembly.

17 None of the changes made in this amendatory Act of the  
18 103rd General Assembly are intended to authorize the  
19 construction of nuclear power plants powered by nuclear power  
20 reactors that are not either: (1) small modular nuclear  
21 reactors; or (2) nuclear power reactors licensed by the U.S.  
22 Nuclear Regulatory Commission to operate in this State prior  
23 to the effective date of this amendatory Act of the 103rd  
24 General Assembly.

25 (d) In making its determination under subsection (b) of  
26 this Section, the Commission shall attach primary weight to

1 the cost or cost savings to the customers of the utility. The  
2 Commission may consider any or all factors which will or may  
3 affect such cost or cost savings, including the public  
4 utility's engineering judgment regarding the materials used  
5 for construction.

6 (e) The Commission may issue a temporary certificate which  
7 shall remain in force not to exceed one year in cases of  
8 emergency, to assure maintenance of adequate service or to  
9 serve particular customers, without notice or hearing, pending  
10 the determination of an application for a certificate, and may  
11 by regulation exempt from the requirements of this Section  
12 temporary acts or operations for which the issuance of a  
13 certificate will not be required in the public interest.

14 A public utility shall not be required to obtain but may  
15 apply for and obtain a certificate of public convenience and  
16 necessity pursuant to this Section with respect to any matter  
17 as to which it has received the authorization or order of the  
18 Commission under the Electric Supplier Act, and any such  
19 authorization or order granted a public utility by the  
20 Commission under that Act shall as between public utilities be  
21 deemed to be, and shall have except as provided in that Act the  
22 same force and effect as, a certificate of public convenience  
23 and necessity issued pursuant to this Section.

24 No electric cooperative shall be made or shall become a  
25 party to or shall be entitled to be heard or to otherwise  
26 appear or participate in any proceeding initiated under this



1 Section for authorization of power plant construction and as  
2 to matters as to which a remedy is available under the Electric  
3 Supplier Act.

4 (f) Such certificates may be altered or modified by the  
5 Commission, upon its own motion or upon application by the  
6 person or corporation affected. Unless exercised within a  
7 period of 2 years from the grant thereof, authority conferred  
8 by a certificate of convenience and necessity issued by the  
9 Commission shall be null and void.

10 No certificate of public convenience and necessity shall  
11 be construed as granting a monopoly or an exclusive privilege,  
12 immunity or franchise.

13 (g) A public utility that undertakes any of the actions  
14 described in items (1) through (3) of this subsection (g) or  
15 that has obtained approval pursuant to Section 8-406.1 of this  
16 Act shall not be required to comply with the requirements of  
17 this Section to the extent such requirements otherwise would  
18 apply. For purposes of this Section and Section 8-406.1 of  
19 this Act, "high voltage electric service line" means an  
20 electric line having a design voltage of 69,000 ~~100,000~~ or  
21 more. For purposes of this subsection (g), a public utility  
22 may do any of the following:

23 (1) replace or upgrade any existing high voltage  
24 electric service line and related facilities,  
25 notwithstanding its length or, subject to applicable  
26 Article VII requirements, ownership;

1 (2) relocate any existing high voltage electric  
2 service line and related facilities, notwithstanding its  
3 length, to accommodate construction or expansion of a  
4 roadway or other transportation infrastructure; or

5 (3) construct a high voltage electric service line and  
6 related facilities that is constructed solely to serve a  
7 single customer's premises or to provide a generator  
8 interconnection to the public utility's transmission  
9 system and that will (i) pass under or over the premises  
10 owned by the customer or generator to be served; (ii) pass  
11 ~~or~~ under or over premises for which the customer or  
12 generator has secured the necessary ~~right-of-way~~  
13 right-of-way; or (iii) be multi-circuited with the  
14 facilities of the public utility.

15 (h) A public utility seeking to construct a high-voltage  
16 electric service line and related facilities (Project) must  
17 show that the utility has held a minimum of 2 pre-filing public  
18 meetings to receive public comment concerning the Project in  
19 each county where the Project is to be located, no earlier than  
20 6 months prior to filing an application for a certificate of  
21 public convenience and necessity from the Commission. Notice  
22 of the public meeting shall be published in a newspaper of  
23 general circulation within the affected county once a week for  
24 3 consecutive weeks, beginning no earlier than one month prior  
25 to the first public meeting. If the Project traverses 2  
26 contiguous counties and where in one county the transmission

1 line mileage and number of landowners over whose property the  
2 proposed route traverses is one-fifth or less of the  
3 transmission line mileage and number of such landowners of the  
4 other county, then the utility may combine the 2 pre-filing  
5 meetings in the county with the greater transmission line  
6 mileage and affected landowners. All other requirements  
7 regarding pre-filing meetings shall apply in both counties.  
8 Notice of the public meeting, including a description of the  
9 Project, must be provided in writing to the clerk of each  
10 county where the Project is to be located. A representative of  
11 the Commission shall be invited to each pre-filing public  
12 meeting.

13 (h-5) A public utility seeking to construct a high-voltage  
14 electric service line and related facilities must also show  
15 that the Project has complied with training and competence  
16 requirements under subsection (b) of Section 15 of the  
17 Electric Transmission Systems Construction Standards Act.

18 (i) For applications filed after August 18, 2015 (the  
19 effective date of Public Act 99-399), the Commission shall, by  
20 certified mail, notify each owner of record of land, as  
21 identified in the records of the relevant county tax assessor,  
22 included in the right-of-way over which the utility seeks in  
23 its application to construct a high-voltage electric line of  
24 the time and place scheduled for the initial hearing on the  
25 public utility's application. The utility shall reimburse the  
26 Commission for the cost of the postage and supplies incurred

1 for mailing the notice.

2 (j) In determining whether to issue a certificate of  
3 public convenience for a new electric generation facility to a  
4 municipal power agency that is required to obtain such a  
5 certificate to exercise its power of eminent domain pursuant  
6 to Section 11-119.1-10 of the Illinois Municipal Code, the  
7 Commission shall give due consideration to whether a  
8 generation unit of similar size and type is part of the  
9 municipal power agency's preferred portfolio or least-cost  
10 plan for achieving renewable energy goals in its most recent  
11 integrated resource plan, as described in subsection (d) of  
12 Section 1-15 of the Municipal and Cooperative Electric Utility  
13 Transparent Planning Act.

14 (Source: P.A. 102-609, eff. 8-27-21; 102-662, eff. 9-15-21;  
15 102-813, eff. 5-13-22; 102-931, eff. 5-27-22; 103-569, eff.  
16 6-1-24; 103-1066, eff. 2-20-25.)

17 Section 1-100. The General Not For Profit Corporation Act  
18 of 1986 is amended by adding Section 108.22 as follows:

19 (805 ILCS 105/108.22 new)

20 Sec. 108.22. Distribution electric cooperatives.

21 (a) A distribution electric cooperative, as that term is  
22 used in the Electric Supplier Act, shall maintain a publicly  
23 accessible website and shall post the following documents and  
24 information on its website:



1 Act" mean this Article.

2 Section 5-5. Findings.

3 (a) The General Assembly finds and declares that  
4 optimizing energy use through whole-building utility data  
5 access is in the public interest because it provides  
6 consumers, building owners, utilities, and states with  
7 significant economic benefits.

8 (b) The General Assembly further finds the following:

9 (1) implementing building energy use data access  
10 legislation catalyzes the development of a strong market  
11 for building energy services which will positively impact  
12 the State's economy through significant job growth;

13 (2) improving the energy use efficiency of the  
14 existing building stock is a key strategy to help preserve  
15 the affordability of rental housing;

16 (3) energy use reductions stemming from data access  
17 can result in direct cost savings to customers and in peak  
18 load reductions that benefit all ratepayers;

19 (4) data access programs allow utilities to maximize  
20 the value of their energy use efficiency portfolio by  
21 engaging customers and directing them to energy efficiency  
22 programs and by enabling utilities to target  
23 low-performing buildings;

24 (5) implementing building data access enables building  
25 owners in the State to qualify for certain federal and

1 other incentives to help them improve their assets;

2 (6) energy use data access is the foundation of a  
3 successful efficiency strategy and enables building owners  
4 to track energy use performance over time, set performance  
5 goals, and justify cost-effective energy use upgrades; and

6 (7) absent whole-building energy use data access  
7 legislation, building owners lack an efficient, defined  
8 process to obtain energy performance of their buildings in  
9 a manner that protects consumer confidentiality.

10 Section 5-10. Definitions. As used in this Act:

11 "Account holder" or "customer" means the person or entity  
12 authorized to access or modify utility account details.

13 "Aggregated usage data" means an aggregation of covered  
14 usage data, where all data associated with a qualified  
15 building or qualified property, including, but not limited to,  
16 data from tenant meters and from owner meters, are combined  
17 into one collective data point per utility data type, per time  
18 period, and where any unique identifiers or other personal  
19 information are removed or dissociated from individual meter  
20 data.

21 "Aggregation threshold" means 3 or more unique  
22 nonresidential qualified accounts or any combination of 5 or  
23 more residential and nonresidential unique qualified accounts  
24 of a property or building during the period for which data is  
25 requested.

1 "Benchmarking tool" means the ENERGY STAR Portfolio  
2 Manager web-based tool or any prudent and cost-effective  
3 alternative system or tool approved by the Commission should  
4 ENERGY STAR Portfolio Manager become inoperative or no longer  
5 useful to achieving the policy goals of the State of Illinois  
6 that (i) enables the periodic entry of a building's energy use  
7 data and other descriptive information about a building and  
8 (ii) rates a building's energy efficiency against that of  
9 comparable buildings nationwide.

10 "Commission" means the Illinois Commerce Commission.

11 "Covered usage data" means electric data collected from  
12 one or more utility meters that reflects the quantity and  
13 period of utility usage in the building, property, or portion  
14 thereof.

15 "Data recipient" means:

16 (1) an owner of the property or building;

17 (2) an owner of a portion of a property with regard to  
18 covered usage data only for the utility consumption the  
19 owner or the owner's tenants, if any, pay for and consume  
20 in the owned portion;

21 (3) a tenant with regard to covered usage data only  
22 for the utility consumption the tenant or the tenant's  
23 subtenants, if any, pay for and consume in the space  
24 leased by the tenant;

25 (4) the board, in the case of a condominium or  
26 cooperative ownership of the property or building; or



1 (5) an agent authorized to receive the covered usage  
2 data by anyone in paragraphs (1) through (4).

3 "Property" means:

4 (1) a single tax parcel;

5 (2) 2 or more tax parcels held in the cooperative or  
6 condominium form of ownership and governed by a single  
7 board of managers; or

8 (3) 2 or more colocated tax parcels owned or  
9 controlled by the same entity.

10 "Qualified account" means a utility account that serves  
11 some or all of a building or property for which covered usage  
12 data is requested and that, as affirmed by the data recipient,  
13 was not controlled by the data recipient or its subsidiary  
14 during the time period for which covered usage data is  
15 requested.

16 "Qualified building" means a building that meets the  
17 aggregation threshold.

18 "Qualified data recipient" means a data recipient with  
19 respect to a qualified property or qualified building.

20 "Qualified property" means a property that meets the  
21 aggregation threshold.

22 "Qualified utility" means an electric utility that serves  
23 at least 500,000 customers in the State.

24 "Utility" means an entity that is an electric utility with  
25 over 500,000 customers in this State and that is a public  
26 utility, as defined in Section 3-105 of the Public Utilities

1 Act.

2 "Utility data type" means electric.

3 Section 5-15. Utility data access.

4 (a) Within 90 days after the effective date of this Act,  
5 the Commission shall open a proceeding to establish by rule,  
6 consistent with the Illinois Administrative Procedure Act and  
7 the requirements of subsection (c), procedures to implement  
8 the requirements of this Section. The Commission shall  
9 consider industry best practices along with Illinois law,  
10 rules, and Commission orders in developing the implementing  
11 rules. The governing authority of a public utility district,  
12 municipally owned utility, or cooperative utility may adopt a  
13 rule adopted by the Commission.

14 (b) No later than 2 years after the effective date of this  
15 Act, the Commission shall adopt procedures through the  
16 rulemaking proceeding identified in subsection (a) whereby:

17 (1) a utility shall retain all consumption data for a  
18 period of not less than 2 years;

19 (2) a qualified utility shall retain usage data in the  
20 possession of the utility on the effective date of this  
21 Act or that is subsequently generated by the utility, for  
22 a period 5 years or however long the utility retains usage  
23 data in its active billing system, whichever is longer;

24 (3) a utility shall honor an account holder's  
25 authorized request to transmit the account holder's

1 covered usage data held by the utility to any entity  
2 designated by the account holder;

3 (4) a qualified data recipient with respect to a  
4 qualified building or qualified property may request that  
5 a qualified utility provide aggregated usage data for the  
6 qualified building or qualified property. Aggregated usage  
7 data shall include identifiers of all meters associated  
8 with the aggregate data and any other information needed  
9 for data quality assurance;

10 (5) a utility shall establish a tool or process to  
11 enable qualified data recipients to request data under  
12 this subsection. The tool or process shall meet  
13 specifications established by the Commission;

14 (6) the account holder request process and utility  
15 delivery of requested data shall be convenient, secure,  
16 and at the Commission's direction requests to the utility  
17 may be submitted exclusively through an online portal; and

18 (7) a utility shall provide updates or corrections to  
19 any previously provided usage information on the schedule  
20 established in paragraph (5) of subsection (d). Data  
21 recipients may request and receive timely revisions  
22 correcting any previously provided usage information. A  
23 utility shall also provide usage information on the  
24 schedule established in paragraph (5) of subsection (d).

25 (c) Any covered usage data that a utility provides to a  
26 data recipient under this Section must meet the following

1 requirements:

2 (1) The covered usage data must be available to be  
3 requested online except that a nonqualified utility may  
4 provide only paper request forms upon showing of good  
5 cause. A utility's validation of the requester's identity  
6 shall be consistent with, and no more onerous than, the  
7 utility's then-current practices.

8 (2) The covered usage data must be provided to the  
9 data recipient in a timeframe, frequency, and format and  
10 be delivered by a method as may be determined by the  
11 Commission.

12 (d) Any covered usage data that a qualified utility  
13 provides to a data recipient under this Section must:

14 (1) be provided to the data recipient within 30 days  
15 after receiving the data recipient's valid request if the  
16 request is received after the effective date of the  
17 rulemaking identified in subsection (a) of this Section;

18 (2) for any initial upload of data to a data recipient  
19 and subject to subsection (j) of this Section, a data  
20 recipient must include all the data for the time period  
21 required in paragraph (2) of subsection (b), regardless of  
22 whether the data recipient had a business relationship  
23 with the building or property during that period;

24 (3) include all necessary data and available usage  
25 data points for data recipients to comply with reporting  
26 requirements to which they are subject, including any such

1 usage data that the utility possesses;

2 (4) be directly uploaded to the benchmarking tool  
3 account, or delivered in another format approved by the  
4 Commission, depending on utility size under subsection  
5 (e);

6 (5) be provided to the data recipient according to a  
7 schedule set by the Commission, but no less than monthly;

8 (6) be provided until the data recipient revokes the  
9 request for usage data or is no longer a data recipient or  
10 is no longer a qualified data recipient with respect to  
11 aggregated usage data;

12 (7) be accompanied by a list of all meters associated  
13 with the covered usage data, including, but not limited  
14 to, aggregated usage data, and shall be accompanied by any  
15 other information the Commission deems necessary including  
16 for data quality assurance; and

17 (8) be provided at no cost to the data recipient.

18 (e) The Commission shall direct that covered usage data  
19 shall be delivered to the data recipient in a standard format  
20 consistent with the benchmarking tool at the data recipient's  
21 request. The Commission shall direct electric utilities that  
22 serve at least 500,000 customers in the State to provide  
23 requested data by direct upload to the benchmarking tool and  
24 associate the data with the data recipient's benchmarking tool  
25 account.

26 (f) To ensure the validity and usefulness of covered usage

1 data, the utility shall provide the best available consumption  
2 and other information, consistent with the utility's records  
3 as presented to account holders on the utility's customer  
4 portal and captured at the meter level.

5 (g) Once covered usage data has been made available to a  
6 duly authorized data recipient, such data may not be deleted  
7 or altered by a utility system, except as is necessary to  
8 correct errors or reflect rebills or is affected as part of the  
9 utility's billing data retention policy. If previously  
10 provided covered usage data is changed to correct errors,  
11 notification must be provided to the data recipient.

12 (h) Within 180 days after the effective date of this Act,  
13 the Commission shall adopt a standard form for a utility  
14 account holder to authorize the sharing of the utility account  
15 holder's covered usage data.

16 (i) For properties that do not meet the aggregation  
17 threshold and therefore require account holder authorization,  
18 the utility shall provide covered usage data to data  
19 recipients upon account holder authorization, which:

20 (1) may be provided in Commission-approved form;

21 (2) may be provided in a lease agreement provision;

22 and

23 (3) remains valid until the account holder revokes it,  
24 regardless of how the authorization is provided.

25 (j) Access to covered usage data under this Section shall  
26 be subject to any rules the Commission has adopted or may

1 choose to adopt, if the rules do not conflict with this  
2 Section.

3 (k) Except in cases where the utility has not followed  
4 processes established by this Act or the utility is grossly  
5 negligent, the utility shall be held harmless for third-party  
6 misuse of data shared under this Act and no cause of action may  
7 be initiated against the utility for such subsequent misuse.

8 (l) A qualified utility may file for cost recovery of the  
9 reasonable and prudently incurred costs of providing covered  
10 usage data, including establishing, operating, and maintaining  
11 data aggregation and data access services, for the Commission  
12 to evaluate. A qualified utility shall make good faith efforts  
13 to secure federal, State, or other relevant funding for such  
14 investments in the future. Any such funding the qualified  
15 utility receives shall be deducted from future revenue  
16 requirements.

17 (m) The Commission may hire consultants and experts to  
18 execute their responsibilities under this Act, with the  
19 retention of those consultants and experts exempt from the  
20 requirements of Section 20-10 of the Illinois Procurement  
21 Code.

22 ARTICLE 90.

23 Section 90-5. The Department of Commerce and Economic  
24 Opportunity Law of the Civil Administrative Code of Illinois

1 is amended by changing Section 605-1075 as follows:

2 (20 ILCS 605/605-1075)

3 Sec. 605-1075. Energy Transition Assistance Fund.

4 (a) The General Assembly hereby declares that management  
5 of several economic development programs requires a  
6 consolidated funding source to improve resource efficiency.  
7 The General Assembly specifically recognizes that properly  
8 serving communities and workers impacted by the energy  
9 transition requires that the Department of Commerce and  
10 Economic Opportunity have access to the resources required for  
11 the execution of the programs for workforce and contractor  
12 development, just transition investments and community  
13 support, and the implementation and administration of energy  
14 and justice efforts by the State.

15 (b) The Department shall be responsible for the  
16 administration of the Energy Transition Assistance Fund and  
17 shall allocate funding on the basis of priorities established  
18 in this Section. Each year, the Department shall determine the  
19 available amount of resources in the Fund that can be  
20 allocated to the programs identified in this Section, and  
21 allocate the funding accordingly. The Department shall, to the  
22 extent practical, consider both the short-term and long-term  
23 costs of the programs and allocate funding so that the  
24 Department is able to cover both the short-term and long-term  
25 costs of these programs using projected revenue.



1           The available funding for each year shall be allocated  
2 from the Fund in the following order of priority:

3           (1) for costs related to the Clean Jobs Workforce  
4 Network Program, up to \$21,000,000 annually prior to June  
5 1, 2023; ~~and~~ \$24,333,333 annually from June 1, 2023 to May  
6 30, 2026; and \$26,020,736 annually thereafter;

7           (2) for costs related to the Clean Energy Contractor  
8 Incubator Program, up to \$21,000,000 annually prior to  
9 June 1, 2026 and up to \$22,687,403 thereafter;

10          (3) for costs related to the Clean Energy Primes  
11 Contractor Accelerator Program, up to \$9,000,000 annually;

12          (4) for costs related to the Barrier Reduction  
13 Program, up to \$21,000,000 annually prior to June 1, 2026  
14 and up to \$22,143,079 annually thereafter;

15          (5) for costs related to the Jobs and Environmental  
16 Justice Grant Program, up to \$34,000,000 annually;

17          (6) for costs related to the Returning Residents Clean  
18 Jobs Training Program, up to \$6,000,000 annually;

19          (7) for costs related to Energy Transition Navigators,  
20 up to \$6,000,000 annually;

21          (8) for costs related to the Illinois Climate Works  
22 Preapprenticeship Program, up to \$10,000,000 annually;

23          (9) for costs related to Energy Transition Community  
24 Support Grants, up to \$40,000,000 annually;

25          (10) for costs related to the Displaced Energy Worker  
26 Dependent Scholarship, upon request by the Illinois

1 Student Assistance Commission, up to \$1,100,000 annually;

2 (11) up to \$10,000,000 annually shall be transferred  
3 to the Public Utilities Fund for use by the Illinois  
4 Commerce Commission for costs of administering the changes  
5 made to the Public Utilities Act by this amendatory Act of  
6 the 102nd General Assembly;

7 (12) up to \$4,000,000 annually shall be transferred to  
8 the Illinois Power Agency Operations Fund for use by the  
9 Illinois Power Agency; and

10 (13) for costs related to the Clean Energy Jobs and  
11 Justice Fund, up to \$1,000,000 annually.

12 The Department is authorized to utilize up to 10% of the  
13 Energy Transition Assistance Fund for administrative and  
14 operational expenses to implement the requirements of this  
15 Act.

16 (b-5) Beginning January 1, 2028, the Department shall  
17 transfer up to \$84,800,000 annually to the Electric Vehicle  
18 and Charging Fund for costs related to beneficial  
19 electrification programs, as defined in Section 45 of the  
20 Electric Vehicle Act. The Environmental Protection Agency may  
21 utilize up to 3% of the annual allocation under this  
22 subsection (b-5) for administrative and operational expenses.

23 (c) Within 30 days after the effective date of this  
24 amendatory Act of the 102nd General Assembly, each electric  
25 utility serving more than 500,000 customers in the State shall  
26 report to the Department its total kilowatt-hours of energy

1 delivered during the 12 months ending on the immediately  
2 preceding May 31. By October 31, 2021 and each October 31  
3 thereafter, each electric utility serving more than 500,000  
4 customers in the State shall report to the Department its  
5 total kilowatt-hours of energy delivered during the 12 months  
6 ending on the immediately preceding May 31.

7 (d) The Department shall, within 60 days after the  
8 effective date of this amendatory Act of the 102nd General  
9 Assembly:

10 (1) determine the amount necessary, but not more than  
11 \$180,000,000, to meet the funding needs of the programs  
12 reliant upon the Energy Transition Assistance Fund as a  
13 revenue source for the period between the effective date  
14 of this amendatory Act of the 102nd General Assembly and  
15 December 31, 2021;

16 (2) determine, based on the kilowatt-hour deliveries  
17 for the 12 months ending May 31, 2021 reported by the  
18 electric utilities under subsection (c), the total energy  
19 transition assistance charge to be allocated to each  
20 electric utility for the period between the effective date  
21 of this amendatory Act of the 102nd General Assembly and  
22 December 31, 2021; and

23 (3) report the total energy transition assistance  
24 charge applicable until December 31, 2021 to each electric  
25 utility serving more than 500,000 customers in the State  
26 and the Illinois Commerce Commission for purposes of

1 filing the tariff pursuant to Section 16-108.30 of the  
2 Public Utilities Act.

3 (e) The Department shall by November 30, 2021, and each  
4 November 30 thereafter:

5 (1) determine the amount necessary, but not more than  
6 \$180,000,000 plus the amount needed to fund the programs  
7 described in subsection (b-5), to meet the funding needs  
8 of the programs reliant upon the Energy Transition  
9 Assistance Fund as a revenue source for the immediately  
10 following calendar year;

11 (2) determine, based on the kilowatt-hour deliveries  
12 for the 12 months ending on the immediately preceding May  
13 31 reported to it by the electric utilities under  
14 subsection (c), the total energy transition assistance  
15 charge to be allocated to each electric utility for the  
16 immediately following calendar year; and

17 (3) report the energy transition assistance charge  
18 applicable for the immediately following calendar year to  
19 each electric utility serving more than 500,000 customers  
20 in the State and the Illinois Commerce Commission for  
21 purposes of filing the tariff pursuant to Section  
22 16-108.30 of the Public Utilities Act.

23 (f) The energy transition assistance charge may not exceed  
24 \$180,000,000 plus the amount needed to fund the programs  
25 described in subsection (b-5) annually. If, at the end of the  
26 calendar year, any surplus remains in the Energy Transition

1 Assistance Fund, the Department may allocate the surplus from  
2 the fund in the following order of priority:

3 (1) for costs related to the development of the  
4 Stretch Energy Codes and other standards at the Capital  
5 Development Board, up to \$500,000 annually, at the request  
6 of the Board;

7 (2) up to \$7,000,000 annually shall be transferred to  
8 the Energy Efficiency Trust Fund and Clean Air Act Permit  
9 Fund for use by the Environmental Protection Agency for  
10 costs related to energy efficiency and weatherization, and  
11 costs of implementation, administration, and enforcement  
12 of the Clean Air Act; and

13 (3) for costs related to State fleet electrification  
14 at the Department of Central Management Services, up to  
15 \$10,000,000 annually, at the request of the Department.

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

17 Section 90-6. The Electric Vehicle Act is amended by  
18 changing Section 45 as follows:

19 (20 ILCS 627/45)

20 Sec. 45. Beneficial electrification.

21 (a) It is the intent of the General Assembly to decrease  
22 reliance on fossil fuels, reduce pollution from the  
23 transportation sector, increase access to electrification for  
24 all consumers, and ensure that electric vehicle adoption and

1 increased electricity usage and demand do not place  
2 significant additional burdens on the electric system and  
3 create benefits for Illinois residents.

4 (1) Illinois should increase the adoption of electric  
5 vehicles in the State to 1,000,000 by 2030.

6 (2) Illinois should strive to be the best state in the  
7 nation in which to drive and manufacture electric  
8 vehicles.

9 (3) Widespread adoption of electric vehicles is  
10 necessary to electrify the transportation sector,  
11 diversify the transportation fuel mix, drive economic  
12 development, and protect air quality.

13 (4) Accelerating the adoption of electric vehicles  
14 will drive the decarbonization of Illinois' transportation  
15 sector.

16 (5) Expanded infrastructure investment will help  
17 Illinois more rapidly decarbonize the transportation  
18 sector.

19 (6) Statewide adoption of electric vehicles requires  
20 increasing access to electrification for all consumers.

21 (7) Widespread adoption of electric vehicles requires  
22 increasing public access to charging equipment throughout  
23 Illinois, especially in low-income and environmental  
24 justice communities, where levels of air pollution burden  
25 tend to be higher.

26 (8) Widespread adoption of electric vehicles and

1 charging equipment has the potential to provide customers  
2 with fuel cost savings and electric utility customers with  
3 cost-saving benefits.

4 (9) Widespread adoption of electric vehicles can  
5 improve an electric utility's electric system efficiency  
6 and operational flexibility, including the ability of the  
7 electric utility to integrate renewable energy resources  
8 and make use of off-peak generation resources that support  
9 the operation of charging equipment.

10 (10) Widespread adoption of electric vehicles should  
11 stimulate innovation, competition, and increased choices  
12 in charging equipment and networks and should also attract  
13 private capital investments and create high-quality jobs  
14 in Illinois.

15 (b) As used in this Section:

16 "Agency" means the Environmental Protection Agency.

17 "Beneficial electrification programs" means programs that  
18 lower carbon dioxide emissions, replace fossil fuel use,  
19 create cost savings, improve electric grid operations, reduce  
20 increases to peak demand, improve electric usage load shape,  
21 and align electric usage with times of renewable generation.  
22 All beneficial electrification programs shall provide for  
23 incentives such that customers are induced to use electricity  
24 at times of low overall system usage or at times when  
25 generation from renewable energy sources is high. "Beneficial  
26 electrification programs" include a portfolio of the

1 following:

2 (1) time-of-use electric rates;

3 (2) hourly pricing electric rates;

4 (3) optimized charging programs or programs that  
5 encourage charging at times beneficial to the electric  
6 grid;

7 (4) optional demand-response programs specifically  
8 related to electrification efforts;

9 (5) incentives for electrification and associated  
10 infrastructure tied to using electricity at off-peak  
11 times;

12 (6) incentives for electrification and associated  
13 infrastructure targeted to medium-duty and heavy-duty  
14 vehicles used by transit agencies;

15 (7) incentives for electrification and associated  
16 infrastructure targeted to school buses;

17 (8) incentives for electrification and associated  
18 infrastructure for medium-duty and heavy-duty government  
19 and private fleet vehicles;

20 (9) low-income programs that provide access to  
21 electric vehicles for communities where car ownership or  
22 new car ownership is not common;

23 (10) incentives for electrification in eligible  
24 communities;

25 (11) incentives or programs to enable quicker adoption  
26 of electric vehicles by developing public charging



1 stations in dense areas, workplaces, and low-income  
2 communities;

3 (12) incentives or programs to develop electric  
4 vehicle infrastructure that minimizes range anxiety,  
5 filling the gaps in deployment, particularly in rural  
6 areas and along highway corridors;

7 (13) incentives to encourage the development of  
8 electrification and renewable energy generation in close  
9 proximity in order to reduce grid congestion;

10 (14) offer support to low-income communities who are  
11 experiencing financial and accessibility barriers such  
12 that electric vehicle ownership is not an option; and

13 (15) other such programs as defined by the Commission.

14 "Black, indigenous, and people of color" or "BIPOC" means  
15 people who are members of the groups described in  
16 subparagraphs (a) through (e) of paragraph (A) of subsection  
17 (1) of Section 2 of the Business Enterprise for Minorities,  
18 Women, and Persons with Disabilities Act.

19 "Commission" means the Illinois Commerce Commission.

20 "Coordinator" means the Electric Vehicle Coordinator.

21 "Electric vehicle" means a vehicle that is exclusively  
22 powered by and refueled by electricity, must be plugged in to  
23 charge, and is licensed to drive on public roadways. "Electric  
24 vehicle" does not include electric mopeds, electric  
25 off-highway vehicles, or hybrid electric vehicles and  
26 extended-range electric vehicles that are also equipped with

1 conventional fueled propulsion or auxiliary engines.

2 "Electric vehicle charging station" means a station that  
3 delivers electricity from a source outside an electric vehicle  
4 into one or more electric vehicles.

5 "Environmental justice communities" means the definition  
6 of that term based on existing methodologies and findings,  
7 used and as may be updated by the Illinois Power Agency and its  
8 program administrator in the Illinois Solar for All Program.

9 "Equity investment eligible community" or "eligible  
10 community" means the geographic areas throughout Illinois  
11 which would most benefit from equitable investments by the  
12 State designed to combat discrimination and foster sustainable  
13 economic growth. Specifically, "eligible community" means the  
14 following areas:

15 (1) areas where residents have been historically  
16 excluded from economic opportunities, including  
17 opportunities in the energy sector, as defined pursuant to  
18 Section 10-40 of the Cannabis Regulation and Tax Act; and

19 (2) areas where residents have been historically  
20 subject to disproportionate burdens of pollution,  
21 including pollution from the energy sector, as established  
22 by environmental justice communities as defined by the  
23 Illinois Power Agency pursuant to Illinois Power Agency  
24 Act, excluding any racial or ethnic indicators.

25 "Equity investment eligible person" or "eligible person"  
26 means the persons who would most benefit from equitable

1 investments by the State designed to combat discrimination and  
2 foster sustainable economic growth. Specifically, "eligible  
3 person" means the following people:

4 (1) persons whose primary residence is in an equity  
5 investment eligible community;

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

8 (3) persons who were formerly incarcerated.

9 "Low-income" means persons and families whose income does  
10 not exceed 80% of the state median income for the current State  
11 fiscal year as established by the U.S. Department of Health  
12 and Human Services.

13 "Make-ready infrastructure" means the electrical and  
14 construction work necessary between the distribution circuit  
15 to the connection point of charging equipment.

16 "Optimized charging programs" mean programs whereby owners  
17 of electric vehicles can set their vehicles to be charged  
18 based on the electric system's current demand, retail or  
19 wholesale market rates, incentives, the carbon or other  
20 pollution intensity of the electric generation mix, the  
21 provision of grid services, efficient use of the electric  
22 grid, or the availability of clean energy generation.  
23 Optimized charging programs may be operated by utilities as  
24 well as third parties.

25 (c) The Commission shall initiate a workshop process no  
26 later than November 30, 2021 for the purpose of soliciting

1 input on the design of beneficial electrification programs  
2 that the utility shall offer. The workshop shall be  
3 coordinated by the Staff of the Commission, or a facilitator  
4 retained by Staff, and shall be organized and facilitated in a  
5 manner that encourages representation from diverse  
6 stakeholders, including stakeholders representing  
7 environmental justice and low-income communities, and ensures  
8 equitable opportunities for participation, without requiring  
9 formal intervention or representation by an attorney.

10 The stakeholder workshop process shall take into  
11 consideration the benefits of electric vehicle adoption and  
12 barriers to adoption, including:

13 (1) the benefit of lower bills for customers who do  
14 not charge electric vehicles;

15 (2) benefits to the distribution system from electric  
16 vehicle usage;

17 (3) the avoidance and reduction in capacity costs from  
18 optimized charging and off-peak charging;

19 (4) energy price and cost reductions;

20 (5) environmental benefits, including greenhouse gas  
21 emission and other pollution reductions;

22 (6) current barriers to mass-market adoption,  
23 including cost of ownership and availability of charging  
24 stations;

25 (7) current barriers to increasing access among  
26 populations that have limited access to electric vehicle

1 ownership, communities significantly impacted by  
2 transportation-related pollution, and market segments that  
3 create disproportionate pollution impacts;

4 (8) benefits of and incentives for medium-duty and  
5 heavy-duty fleet vehicle electrification;

6 (9) opportunities for eligible communities to benefit  
7 from electrification;

8 (10) geographic areas and market segments that should  
9 be prioritized for electrification infrastructure  
10 investment.

11 The workshops shall consider barriers, incentives,  
12 enabling rate structures, and other opportunities for the bill  
13 reduction and environmental benefits described in this  
14 subsection.

15 The workshop process shall conclude no later than February  
16 28, 2022. Following the workshop, the Staff of the Commission,  
17 or the facilitator retained by the Staff, shall prepare and  
18 submit a report, no later than March 31, 2022, to the  
19 Commission that includes, but is not limited to,  
20 recommendations for transportation electrification investment  
21 or incentives in the following areas:

22 (i) publicly accessible Level 2 and fast-charging  
23 stations, with a focus on bringing access to  
24 transportation electrification in densely populated areas  
25 and workplaces within eligible communities;

26 (ii) medium-duty and heavy-duty charging

1 infrastructure used by government and private fleet  
2 vehicles that serve or travel through environmental  
3 justice or eligible communities;

4 (iii) medium-duty and heavy-duty charging  
5 infrastructure used in school bus operations, whether  
6 private or public, that primarily serve governmental or  
7 educational institutions, and also serve or travel through  
8 environmental justice or eligible communities;

9 (iv) public transit medium-duty and heavy-duty  
10 charging infrastructure, developed in consultation with  
11 public transportation agencies; and

12 (v) publicly accessible Level 2 and fast-charging  
13 stations targeted to fill gaps in deployment, particularly  
14 in rural areas and along State highway corridors.

15 The report must also identify the participants in the  
16 process, program designs proposed during the process,  
17 estimates of the costs and benefits of proposed programs, any  
18 material issues that remained unresolved at the conclusions of  
19 such process, and any recommendations for workshop process  
20 improvements. The report shall be used by the Commission to  
21 inform and evaluate the cost-effectiveness ~~cost-effectiveness~~  
22 and achievement of goals within the submitted Beneficial  
23 Electrification Plans.

24 (d) No later than July 1, 2022, electric utilities serving  
25 greater than 500,000 customers in the State shall file a  
26 Beneficial Electrification Plan with the Illinois Commerce

1 Commission for programs that start no later than January 1,  
2 2023. The plan shall take into consideration recommendations  
3 from the workshop report described in this Section. Within 45  
4 days after the filing of the Beneficial Electrification Plan,  
5 the Commission shall, with reasonable notice, open an  
6 investigation to consider whether the plan meets the  
7 objectives and contains the information required by this  
8 Section. The Commission shall determine if the proposed plan  
9 is cost-beneficial and in the public interest. When  
10 considering if the plan is in the public interest and  
11 determining appropriate levels of cost recovery for  
12 investments and expenditures related to programs proposed by  
13 an electric utility, the Commission shall consider whether the  
14 investments and other expenditures are designed and reasonably  
15 expected to:

16 (1) maximize total energy cost savings and rate  
17 reductions so that nonparticipants can benefit;

18 (2) address environmental justice interests by  
19 ensuring there are significant opportunities for residents  
20 and businesses in eligible communities to directly  
21 participate in and benefit from beneficial electrification  
22 programs;

23 (3) support at least a 40% investment of make-ready  
24 infrastructure incentives to facilitate the rapid  
25 deployment of charging equipment in or serving  
26 environmental justice, low-income, and eligible

1 communities; however, nothing in this subsection is  
2 intended to require a specific amount of spending in a  
3 particular geographic area;

4 (4) support at least a 5% investment target in  
5 electrifying medium-duty and heavy-duty school bus and  
6 diesel public transportation vehicles located in or  
7 serving environmental justice, low-income, and eligible  
8 communities in order to provide those communities and  
9 businesses with greater economic investment,  
10 transportation opportunities, and a cleaner environment so  
11 they can directly benefit from transportation  
12 electrification efforts; however, nothing in this  
13 subsection is intended to require a specific amount of  
14 spending in a particular geographic area;

15 (5) stimulate innovation, competition, private  
16 investment, and increased consumer choices in electric  
17 vehicle charging equipment and networks;

18 (6) contribute to the reduction of carbon emissions  
19 and meeting air quality standards, including improving air  
20 quality in eligible communities who disproportionately  
21 suffer from emissions from the medium-duty and heavy-duty  
22 transportation sector;

23 (7) support the efficient and cost-effective use of  
24 the electric grid in a manner that supports electric  
25 vehicle charging operations; and

26 (8) provide resources to support private investment in



1 charging equipment for uses in public and private charging  
2 applications, including residential, multi-family, fleet,  
3 transit, community, and corridor applications.

4 The plan shall be determined to be cost-beneficial if the  
5 total cost of beneficial electrification expenditures is less  
6 than the net present value of increased electricity costs  
7 (defined as marginal avoided energy, avoided capacity, and  
8 avoided transmission and distribution system costs) avoided by  
9 programs under the plan, the net present value of reductions  
10 in other customer energy costs, net revenue from all electric  
11 charging in the service territory, and the societal value of  
12 reduced carbon emissions and surface-level pollutants,  
13 particularly in environmental justice communities. The  
14 calculation of costs and benefits should be based on net  
15 impacts, including the impact on customer rates.

16 The Commission shall approve, approve with modifications,  
17 or reject the plan within 270 days from the date of filing. The  
18 Commission may approve the plan if it finds that the plan will  
19 achieve the goals described in this Section and contains the  
20 information described in this Section. Proceedings under this  
21 Section shall proceed according to the rules provided by  
22 Article IX of the Public Utilities Act. Information contained  
23 in the approved plan shall be considered part of the record in  
24 any Commission proceeding under Section 16-107.6 of the Public  
25 Utilities Act, provided that a final order has not been  
26 entered prior to the initial filing date. The Beneficial

1 Electrification Plan shall specifically address, at a minimum,  
2 the following:

3 (i) make-ready investments to facilitate the rapid  
4 deployment of charging equipment throughout the State,  
5 facilitate the electrification of public transit and other  
6 vehicle fleets in the light-duty, medium-duty, and  
7 heavy-duty sectors, and align with Agency-issued rebates  
8 for charging equipment;

9 (ii) the development and implementation of beneficial  
10 electrification programs, including time-of-use rates and  
11 their benefit for electric vehicle users and for all  
12 customers, optimized charging programs to achieve savings  
13 identified, and new contracts and compensation for  
14 services in those programs, through signals that allow  
15 electric vehicle charging to respond to local system  
16 conditions, manage critical peak periods, serve as a  
17 demand response or peak resource, and maximize renewable  
18 energy use and integration into the grid;

19 (iii) optional commercial tariffs utilizing  
20 alternatives to traditional demand-based rate structures  
21 to facilitate charging for light-duty, heavy-duty, and  
22 fleet electric vehicles;

23 (iv) financial and other challenges to electric  
24 vehicle usage in low-income communities, and strategies  
25 for overcoming those challenges, particularly in  
26 communities where and for people for whom car ownership is

1 not an option;

2 (v) methods of minimizing ratepayer impacts and  
3 exempting or minimizing, to the extent possible,  
4 low-income ratepayers from the costs associated with  
5 facilitating the expansion of electric vehicle charging;

6 (vi) plans to increase access to Level 3 Public  
7 Electric Vehicle Charging Infrastructure to serve vehicles  
8 that need quicker charging times and vehicles of persons  
9 who have no other access to charging infrastructure,  
10 regardless of whether those projects participate in  
11 optimized charging programs;

12 (vii) whether to establish charging standards for type  
13 of plugs eligible for investment or incentive programs,  
14 and if so, what standards;

15 (viii) opportunities for coordination and cohesion  
16 with electric vehicle and electric vehicle charging  
17 equipment incentives established by any agency,  
18 department, board, or commission of the State, any other  
19 unit of government in the State, any national programs, or  
20 any unit of the federal government;

21 (ix) ideas for the development of online tools,  
22 applications, and data sharing that provide essential  
23 information to those charging electric vehicles, and  
24 enable an automated charging response to price signals,  
25 emission signals, real-time renewable generation  
26 production, and other Commission-approved or

1 customer-desired indicators of beneficial charging times;  
2 and

3 (x) customer education, outreach, and incentive  
4 programs that increase awareness of the programs and the  
5 benefits of transportation electrification, including  
6 direct outreach to eligible communities.

7 (e) Proceedings under this Section shall proceed according  
8 to the rules provided by Article IX of the Public Utilities  
9 Act. Information contained in the approved plan shall be  
10 considered part of the record in any Commission proceeding  
11 under Section 16-107.6 of the Public Utilities Act, provided  
12 that a final order has not been entered prior to the initial  
13 filing date.

14 (f) The utility shall file an update to the plan on July 1,  
15 2024 ~~and every 3 years thereafter~~. This update shall describe  
16 transportation investments made during the prior plan period,  
17 investments planned for the following 24 months, and updates  
18 to the information required by this Section. ~~Beginning with~~  
19 ~~the first update, the~~ The utility shall develop the plan in  
20 conjunction with the distribution system planning process  
21 described in Section 16-105.17, including incorporation of  
22 stakeholder feedback from that process.

23 (g) Within 35 days after the utility files its report, the  
24 Commission shall, upon its own initiative, open an  
25 investigation regarding the utility's plan update to  
26 investigate whether the objectives described in this Section

1 are being achieved. The Commission shall determine whether  
2 investment targets should be increased based on achievement of  
3 spending goals outlined in the Beneficial Electrification Plan  
4 and consistency with outcomes directed in the plan stakeholder  
5 workshop report. If the Commission finds, after notice and  
6 hearing, that the utility's plan is materially deficient, the  
7 Commission shall issue an order requiring the utility to  
8 devise a corrective action plan, subject to Commission  
9 approval, to bring the plan into compliance with the goals of  
10 this Section. The Commission's order shall be entered within  
11 270 days after the utility files its annual report. The  
12 contents of a plan filed under this Section shall be available  
13 for evidence in Commission proceedings. However, omission from  
14 an approved plan shall not render any future utility  
15 expenditure to be considered unreasonable or imprudent. The  
16 Commission may, upon sufficient evidence, allow expenditures  
17 that were not part of any particular distribution plan. The  
18 Commission shall consider revenues from electric vehicles in  
19 the utility's service territory in evaluating the retail rate  
20 impact. The retail rate impact from the development of  
21 electric vehicle infrastructure shall not exceed 1% per year  
22 of the total annual revenue requirements of the utility.

23 (h) In meeting the requirements of this Section, the  
24 utility, and beginning January 1, 2029 the Agency, shall  
25 demonstrate efforts to increase the use of contractors and  
26 electric vehicle charging station installers that meet

1 multiple workforce equity actions, including, but not limited  
2 to:

3 (1) the business is headquartered in or the person  
4 resides in an eligible community;

5 (2) the business is majority owned by eligible person  
6 or the contractor is an eligible person;

7 (3) the business or person is certified by another  
8 municipal, State, federal, or other certification for  
9 disadvantaged businesses;

10 (4) the business or person meets the eligibility  
11 criteria for a certification program such as:

12 (A) certified under Section 2 of the Business  
13 Enterprise for Minorities, Women, and Persons with  
14 Disabilities Act;

15 (B) certified by another municipal, State,  
16 federal, or other certification for disadvantaged  
17 businesses;

18 (C) submits an affidavit showing that the vendor  
19 meets the eligibility criteria for a certification  
20 program such as those in items (A) and (B);

21 (D) if the vendor is a nonprofit, meets any of the  
22 criteria in those in item (A), (B), or (C) with the  
23 exception that the nonprofit is not required to meet  
24 any criteria related to being a for-profit entity, or  
25 is controlled by a board of directors that consists of  
26 51% or greater individuals who are equity investment

1 eligible persons; or

2 (E) ensuring that program implementation  
3 contractors and electric vehicle charging station  
4 installers pay employees working on electric vehicle  
5 charging installations at or above the prevailing wage  
6 rate as published by the Department of Labor.

7 Utilities, and beginning January 1, 2029 the Agency, shall  
8 establish reporting procedures for vendors that ensure  
9 compliance with this subsection, but are structured to avoid,  
10 wherever possible, placing an undue administrative burden on  
11 vendors.

12 (i) Program data collection.

13 (1) In order to ensure that the benefits provided to  
14 Illinois residents and business by the clean energy  
15 economy are equitably distributed across the State, it is  
16 necessary to accurately measure the applicants and  
17 recipients of this Program. The purpose of this paragraph  
18 is to require the implementing utilities, and beginning  
19 January 1, 2029 the Agency, to collect all data from  
20 Program applicants and beneficiaries to track and improve  
21 equitable distribution of benefits across Illinois  
22 communities. The further purpose is to measure any  
23 potential impact of racial discrimination on the  
24 distribution of benefits and provide the utilities the  
25 information necessary to correct any discrimination  
26 through methods consistent with State and federal law.

1           (2) The implementing utilities, and beginning January  
2           1, 2029 the Agency, shall collect demographic and  
3           geographic data for each applicant and each person or  
4           business awarded benefits or contracts under this Program.

5           (3) The implementing utilities, and beginning January  
6           1, 2029 the Agency, shall collect the following  
7           information from applicants and Program or procurement  
8           beneficiaries where applicable:

9                   (A) demographic information, including racial or  
10                  ethnic identity for real persons employed, contracted,  
11                  or subcontracted through the program;

12                  (B) demographic information, including racial or  
13                  ethnic identity of business owners;

14                  (C) geographic location of the residency of real  
15                  persons or geographic location of the headquarters for  
16                  businesses; and

17                  (D) any other information necessary for the  
18                  purpose of achieving the purpose of this paragraph.

19           (4) The utility, and beginning January 1, 2029 the  
20           Agency, shall publish, at least annually, aggregated  
21           information on the demographics of program and procurement  
22           applicants and beneficiaries. The utilities shall protect  
23           personal and confidential business information as  
24           necessary.

25           (5) The utilities, and beginning January 1, 2029 the  
26           Agency, shall conduct a regular review process to confirm



1 the accuracy of reported data.

2 (6) On a quarterly basis, utilities, and beginning  
3 January 1, 2029 the Agency, shall collect data necessary  
4 to ensure compliance with this Section and shall  
5 communicate progress toward compliance to program  
6 implementation contractors and electric vehicle charging  
7 station installation vendors.

8 (7) Utilities filing Beneficial Electrification Plans  
9 under this Section, and beginning January 1, 2029 the  
10 Agency, shall report annually to the Illinois Commerce  
11 Commission and the General Assembly on how hiring,  
12 contracting, job training, and other practices related to  
13 its Beneficial electrification programs enhance the  
14 diversity of vendors working on such programs. These  
15 reports must include data on vendor and employee  
16 diversity.

17 (j) The provisions of this Section are severable under  
18 Section 1.31 of the Statute on Statutes.

19 (k) The utilities' Beneficial Electrification Plans under  
20 this Section shall end no later than December 31, 2028.  
21 Beginning January 1, 2029, the beneficial electrification  
22 programs described in this Section shall be administered by  
23 the Environmental Protection Agency. The Agency shall have  
24 broad authority to provide grants and other forms of financial  
25 assistance to develop and implement beneficial electrification  
26 programs that achieve the goals described in paragraphs (1)

1 through (8) of subsection (d) of this Section, and that may  
2 include, but are not limited to, initiatives as described in  
3 items (i) through (x) of subsection (d) of this Section.

4 (l) No later than March 1, 2028, the Agency shall publish a  
5 draft 3-year Beneficial Electrification Plan for the  
6 implementation of its beneficial electrification programs and  
7 solicit comments and input from interested stakeholders,  
8 including through public workshops, on the design of the  
9 programs. As part of the Plan development process, the Agency  
10 shall strive to meaningfully engage members and  
11 representatives of equity investment eligible communities at  
12 the outset of Plan development, prior to the publication of  
13 the draft Plan, and during the comment and input process. The  
14 Plan shall take into consideration lessons learned from the  
15 implementation of utility Beneficial Electrification Plans  
16 described in this Section. Within 180 days after the  
17 publication of its draft Beneficial Electrification Plan, the  
18 Agency shall publish a final Plan that is designed and  
19 reasonably expected to achieve the goals described in  
20 paragraphs (1) through (8) of subsection (d) of this Section.

21 (m) Funds shall be made available from the Electric  
22 Vehicle and Charging Fund to the Agency to provide grants and  
23 other forms of financial assistance and administer beneficial  
24 electrification programs. Subject to appropriation, the annual  
25 budget for Agency-administered beneficial electrification  
26 programs shall be equivalent to the average annual budget of

1 programs administered by the utilities under this Section for  
2 the years 2026 through 2028.

3 (Source: P.A. 102-662, eff. 9-15-21; 102-820, eff. 5-13-22;  
4 103-154, eff. 6-30-23.)

5 Section 90-7. The Energy Transition Act is amended by  
6 changing Section 5-40 as follows:

7 (20 ILCS 730/5-40)

8 (Section scheduled to be repealed on September 15, 2045)

9 Sec. 5-40. Illinois Climate Works Preapprenticeship  
10 Program.

11 (a) Subject to appropriation, the Department shall  
12 develop, and through Regional Administrators administer, the  
13 Illinois Climate Works Preapprenticeship Program. The goal of  
14 the Illinois Climate Works Preapprenticeship Program is to  
15 create a network of hubs throughout the State that will  
16 recruit, prescreen, and provide preapprenticeship skills  
17 training, for which participants may attend free of charge and  
18 receive a stipend, to create a qualified, diverse pipeline of  
19 workers who are prepared for careers in the construction and  
20 building trades and clean energy jobs opportunities therein.  
21 Upon completion of the Illinois Climate Works  
22 Preapprenticeship Program, the candidates will be connected to  
23 and prepared to successfully complete an apprenticeship  
24 program.

1 (b) Each Climate Works Hub that receives funding from the  
2 Energy Transition Assistance Fund shall provide an annual  
3 report to the Illinois Works Review Panel by April 1 of each  
4 calendar year. The annual report shall include the following  
5 information:

6 (1) a description of the Climate Works Hub's  
7 recruitment, screening, and training efforts, including a  
8 description of training related to construction and  
9 building trades opportunities in clean energy jobs;

10 (2) the number of individuals who apply to,  
11 participate in, and complete the Climate Works Hub's  
12 program, broken down by race, gender, age, and veteran  
13 status;

14 (3) the number of the individuals referenced in  
15 paragraph (2) of this subsection who are initially  
16 accepted and placed into apprenticeship programs in the  
17 construction and building trades; and

18 (4) the number of individuals referenced in paragraph  
19 (2) of this subsection who remain in apprenticeship  
20 programs in the construction and building trades or have  
21 become journeymen one calendar year after their placement,  
22 as referenced in paragraph (3) of this subsection.

23 (c) Subject to appropriation, the Department shall provide  
24 funding to 3 Climate Works Hubs throughout the State,  
25 including one to the Illinois Department of Transportation  
26 Region 1, one to the Illinois Department of Transportation

1 Regions 2 and 3, and one to the Illinois Department of  
2 Transportation Regions 4 and 5. An eligible organization may  
3 serve as the designated Climate Works Hub for all 5 regions.  
4 Climate Works Hubs shall be awarded grants in multi-year  
5 increments not to exceed 36 months. Each grant shall come with  
6 a one year initial term, with the Department renewing each  
7 year for 2 additional years unless the grantee either declines  
8 to continue or fails to meet reasonable performance measures  
9 that consider apprenticeship programs timeframes. The  
10 Department may take into account experience and performance as  
11 a previous grantee of the Climate Works Hub as part of the  
12 selection criteria for subsequent years.

13 (d) Each Climate Works Hub that receives funding from the  
14 Energy Transition Assistance Fund shall recruit, prescreen,  
15 and provide preapprenticeship training to program  
16 participants. Each Climate Works Hub that receives funding  
17 from the Energy Transition Assistance Fund shall:

18 (1) in each Hub Site where the applicant pool allows,  
19 comply with the following:

20 (A) dedicate at least one-third of Program  
21 placements to applicants who reside in a geographic  
22 area that is impacted by economic and environmental  
23 challenges, defined as an area that is both (i) an R3  
24 Area, as defined pursuant to Section 10-40 of the  
25 Cannabis Regulation and Tax Act, and (ii) an  
26 environmental justice community, as defined by the

1 Illinois Power Agency under the Illinois Power Agency  
2 Act, excluding any racial or ethnic indicators used by  
3 the Agency unless and until the constitutional basis  
4 for the inclusion of the factors in determining  
5 Program admissions is established; among applicants  
6 that satisfy these criteria, preference shall be given  
7 to applicants who face barriers to employment,  
8 including low educational attainment, prior  
9 involvement with the criminal justice system, and  
10 language barriers, and applicants that are graduates  
11 of or currently enrolled in the foster care system;  
12 and

13 (B) dedicate at least two-thirds of Program  
14 placements to applicants who reside in a geographic  
15 area that is impacted by economic or environmental  
16 challenges, defined as an area that is either (i) an R3  
17 Area, as defined pursuant to Section 10-40 of the  
18 Cannabis Regulation and Tax Act, or (ii) an  
19 environmental justice community, as defined by the  
20 Illinois Power Agency in the Illinois Power Agency  
21 Act, excluding any racial or ethnic indicators used by  
22 the Agency unless and until the constitutional basis  
23 for the inclusion of the factors in determining  
24 Program admissions is established; among applicants  
25 that satisfy these criteria, preference shall be given  
26 to applicants who face barriers to employment,

1 including low educational attainment, prior  
2 involvement with the criminal legal system, and  
3 language barriers, and applicants that are graduates  
4 of or currently enrolled in the foster care system;  
5 and

6 (C) prioritize the remaining Program placements  
7 for the following:

8 (i) applicants who are displaced energy  
9 workers, as defined in the Energy Community  
10 Reinvestment Act;

11 (ii) persons who face barriers to employment,  
12 including low educational attainment, prior  
13 involvement with the criminal justice system, and  
14 language barriers; and

15 (iii) applicants who are graduates of or  
16 currently enrolled in the foster care system,  
17 regardless of the applicant's area of residence;

18 ~~Each Climate Works Hub that receives funding from~~  
19 ~~the Energy Transition Assistance Fund shall:~~

20 ~~(1) recruit, prescreen, and provide preapprenticeship~~  
21 ~~training to equity investment eligible persons;~~

22 (2) provide training information related to  
23 opportunities and certifications relevant to clean energy  
24 jobs in the construction and building trades; and

25 (3) provide preapprentices with stipends they receive  
26 that may vary depending on the occupation the individual

1 is training for.

2 (d-5) Priority shall be given to Climate Works Hubs that  
3 have an agreement with North American Building Trades Unions  
4 (NABTU) to utilize the Multi-Craft Core Curriculum or  
5 successor curriculums.

6 (e) Funding for the Program is subject to appropriation  
7 from the Energy Transition Assistance Fund.

8 (f) The Department shall adopt any rules deemed necessary  
9 to implement this Section.

10 (Source: P.A. 102-662, eff. 9-15-21; 102-1031, eff. 5-27-22;  
11 102-1123, eff. 1-27-23.)

12 Section 90-10. The Illinois Finance Authority Act is  
13 amended by adding Section 850-20 as follows:

14 (20 ILCS 3501/850-20 new)

15 Sec. 850-20. Thermal Energy Network Revolving Loan and  
16 Financial Assistance Program.

17 (a) As used in this Section:

18 "Program" means the Thermal Energy Network Revolving Loan  
19 and Financial Assistance Program established under this  
20 Section.

21 "Thermal energy network" means all real estate, fixtures,  
22 and personal property operated, owned, used, or to be used for  
23 in connection with or to facilitate a community-scale  
24 distribution infrastructure project that transfers heat into



1 and out of buildings using non-combusting thermal energy,  
2 sourced from zero-emission technologies, including geothermal  
3 energy, for the purpose of reducing emissions. "Thermal energy  
4 network" includes, but is not limited to, real estate,  
5 fixtures, and personal property that is operated, owned, or  
6 used by multiple parties and community geothermal systems.

7 (b) In its role as the Climate Bank for the State, the  
8 Authority may, subject to available funding, establish and  
9 administer a Thermal Energy Network Revolving Loan and  
10 Financial Assistance Program. The Program shall provide access  
11 to capital for thermal energy network projects that take into  
12 consideration the risks involved in the development of shared  
13 heating and cooling systems and the required coordination  
14 among multiple customers, as well as the benefits of enabling  
15 low-cost decarbonization of residential, commercial, and  
16 industrial buildings and processes. The Program may provide  
17 loans, grants, or other financial assistance for thermal  
18 energy network projects.

19 (c) The Authority may establish internal accounts  
20 necessary to administer the Program, identify sources of  
21 public and private funding and financial capital, and develop  
22 any requirements or agreements necessary to successfully  
23 execute the Program.

24 (d) The Authority shall coordinate and enter into any  
25 necessary agreements with the Illinois Commerce Commission to  
26 (i) develop and offer funding and financing to thermal energy

1 network pilot projects approved by the Commission under  
2 subsection (a) of Section 8-513 of the Public Utilities Act,  
3 (ii) receive funds as necessary and as approved by the  
4 Commission under subsection (b) of Section 8-513 of the Public  
5 Utilities Act, and (iii) establish any requirements necessary  
6 to ensure compliance with the objectives of any federal  
7 funding sources secured to support the Program.

8 (e) All repayments of loans or other financial assistance  
9 made under the Program shall be used or leveraged to provide  
10 additional capital to thermal energy network pilot projects  
11 that support the clean energy goals of the State, in  
12 coordination with any rules established by the Illinois  
13 Commerce Commission.

14 (f) The Authority may adopt any resolutions, plans, or  
15 rules and fix, determine, charge, or collect any fees,  
16 charges, costs, and expenses necessary to administer the  
17 Program under this Section.

18 Section 90-11. The Illinois Power Agency Act is amended by  
19 changing Sections 1-10, 1-20, 1-56, 1-75, and 1-125 as  
20 follows:

21 (20 ILCS 3855/1-10)

22 Sec. 1-10. Definitions.

23 "Agency" means the Illinois Power Agency.

24 "Agency loan agreement" means any agreement pursuant to

1 which the Illinois Finance Authority agrees to loan the  
2 proceeds of revenue bonds issued with respect to a project to  
3 the Agency upon terms providing for loan repayment  
4 installments at least sufficient to pay when due all principal  
5 of, interest and premium, if any, on those revenue bonds, and  
6 providing for maintenance, insurance, and other matters in  
7 respect of the project.

8 "Authority" means the Illinois Finance Authority.

9 "Brownfield site photovoltaic project" means photovoltaics  
10 that are either:

11 (1) interconnected to an electric utility as defined  
12 in this Section, a municipal utility as defined in this  
13 Section, a public utility as defined in Section 3-105 of  
14 the Public Utilities Act, or an electric cooperative as  
15 defined in Section 3-119 of the Public Utilities Act and  
16 located at a site that is regulated by any of the following  
17 entities under the following programs:

18 (A) the United States Environmental Protection  
19 Agency under the federal Comprehensive Environmental  
20 Response, Compensation, and Liability Act of 1980, as  
21 amended;

22 (B) the United States Environmental Protection  
23 Agency under the Corrective Action Program of the  
24 federal Resource Conservation and Recovery Act, as  
25 amended;

26 (C) the Illinois Environmental Protection Agency

1 under the Illinois Site Remediation Program; or

2 (D) the Illinois Environmental Protection Agency  
3 under the Illinois Solid Waste Program; or

4 (2) located at the site of a coal mine that has  
5 permanently ceased coal production, permanently halted any  
6 re-mining operations, and is no longer accepting any coal  
7 combustion residues; has both completed all clean-up and  
8 remediation obligations under the federal Surface Mining  
9 and Reclamation Act of 1977 and all applicable Illinois  
10 rules and any other clean-up, remediation, or ongoing  
11 monitoring to safeguard the health and well-being of the  
12 people of the State of Illinois, as well as demonstrated  
13 compliance with all applicable federal and State  
14 environmental rules and regulations, including, but not  
15 limited, to 35 Ill. Adm. Code Part 845 and any rules for  
16 historic fill of coal combustion residuals, including any  
17 rules finalized in Subdocket A of Illinois Pollution  
18 Control Board docket R2020-019.

19 "Clean coal facility" means an electric generating  
20 facility that uses primarily coal as a feedstock and that  
21 captures and sequesters carbon dioxide emissions at the  
22 following levels: at least 50% of the total carbon dioxide  
23 emissions that the facility would otherwise emit if, at the  
24 time construction commences, the facility is scheduled to  
25 commence operation before 2016, at least 70% of the total  
26 carbon dioxide emissions that the facility would otherwise

1 emit if, at the time construction commences, the facility is  
2 scheduled to commence operation during 2016 or 2017, and at  
3 least 90% of the total carbon dioxide emissions that the  
4 facility would otherwise emit if, at the time construction  
5 commences, the facility is scheduled to commence operation  
6 after 2017. The power block of the clean coal facility shall  
7 not exceed allowable emission rates for sulfur dioxide,  
8 nitrogen oxides, carbon monoxide, particulates and mercury for  
9 a natural gas-fired combined-cycle facility the same size as  
10 and in the same location as the clean coal facility at the time  
11 the clean coal facility obtains an approved air permit. All  
12 coal used by a clean coal facility shall have high volatile  
13 bituminous rank and greater than 1.7 pounds of sulfur per  
14 million Btu content, unless the clean coal facility does not  
15 use gasification technology and was operating as a  
16 conventional coal-fired electric generating facility on June  
17 1, 2009 (the effective date of Public Act 95-1027).

18 "Clean coal SNG brownfield facility" means a facility that  
19 (1) has commenced construction by July 1, 2015 on an urban  
20 brownfield site in a municipality with at least 1,000,000  
21 residents; (2) uses a gasification process to produce  
22 substitute natural gas; (3) uses coal as at least 50% of the  
23 total feedstock over the term of any sourcing agreement with a  
24 utility and the remainder of the feedstock may be either  
25 petroleum coke or coal, with all such coal having a high  
26 bituminous rank and greater than 1.7 pounds of sulfur per

1 million Btu content unless the facility reasonably determines  
2 that it is necessary to use additional petroleum coke to  
3 deliver additional consumer savings, in which case the  
4 facility shall use coal for at least 35% of the total feedstock  
5 over the term of any sourcing agreement; and (4) captures and  
6 sequesters at least 85% of the total carbon dioxide emissions  
7 that the facility would otherwise emit.

8 "Clean coal SNG facility" means a facility that uses a  
9 gasification process to produce substitute natural gas, that  
10 sequesters at least 90% of the total carbon dioxide emissions  
11 that the facility would otherwise emit, that uses at least 90%  
12 coal as a feedstock, with all such coal having a high  
13 bituminous rank and greater than 1.7 pounds of sulfur per  
14 million Btu content, and that has a valid and effective permit  
15 to construct emission sources and air pollution control  
16 equipment and approval with respect to the federal regulations  
17 for Prevention of Significant Deterioration of Air Quality  
18 (PSD) for the plant pursuant to the federal Clean Air Act;  
19 provided, however, a clean coal SNG brownfield facility shall  
20 not be a clean coal SNG facility.

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

23 "Commission" means the Illinois Commerce Commission.

24 "Community renewable generation project" means an electric  
25 generating facility that:

26 (1) is powered by wind, solar thermal energy,

1 photovoltaic cells or panels, biodiesel, crops and  
2 untreated and unadulterated organic waste biomass, and  
3 hydropower that does not involve new construction of dams;

4 (2) is interconnected at the distribution system level  
5 of an electric utility as defined in this Section, a  
6 municipal utility as defined in this Section that owns or  
7 operates electric distribution facilities, a public  
8 utility as defined in Section 3-105 of the Public  
9 Utilities Act, or an electric cooperative, as defined in  
10 Section 3-119 of the Public Utilities Act;

11 (3) credits the value of electricity generated by the  
12 facility to the subscribers of the facility; and

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

15 "Costs incurred in connection with the development and  
16 construction of a facility" means:

17 (1) the cost of acquisition of all real property,  
18 fixtures, and improvements in connection therewith and  
19 equipment, personal property, and other property, rights,  
20 and easements acquired that are deemed necessary for the  
21 operation and maintenance of the facility;

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

24 (3) all origination, commitment, utilization,  
25 facility, placement, underwriting, syndication, credit  
26 enhancement, and rating agency fees;

1           (4) engineering, design, procurement, consulting,  
2           legal, accounting, title insurance, survey, appraisal,  
3           escrow, trustee, collateral agency, interest rate hedging,  
4           interest rate swap, capitalized interest, contingency, as  
5           required by lenders, and other financing costs, and other  
6           expenses for professional services; and

7           (5) the costs of plans, specifications, site study and  
8           investigation, installation, surveys, other Agency costs  
9           and estimates of costs, and other expenses necessary or  
10          incidental to determining the feasibility of any project,  
11          together with such other expenses as may be necessary or  
12          incidental to the financing, insuring, acquisition, and  
13          construction of a specific project and starting up,  
14          commissioning, and placing that project in operation.

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

17          "Delivery year" means the consecutive 12-month period  
18          beginning June 1 of a given year and ending May 31 of the  
19          following year.

20          "Department" means the Department of Commerce and Economic  
21          Opportunity.

22          "Director" means the Director of the Illinois Power  
23          Agency.

24          "Demand response ~~Demand-response~~" means measures that  
25          decrease peak electricity demand or shift demand from peak to  
26          off-peak periods.



1 "Distributed renewable energy generation device" means a  
2 device that is:

3 (1) powered by wind, solar thermal energy,  
4 photovoltaic cells or panels, biodiesel, crops and  
5 untreated and unadulterated organic waste biomass, tree  
6 waste, and hydropower that does not involve new  
7 construction of dams, waste heat to power systems, or  
8 qualified combined heat and power systems;

9 (2) interconnected at the distribution system level of  
10 either an electric utility as defined in this Section, a  
11 municipal utility as defined in this Section that owns or  
12 operates electric distribution facilities, or a rural  
13 electric cooperative as defined in Section 3-119 of the  
14 Public Utilities Act;

15 (3) located on the customer side of the customer's  
16 electric meter and is primarily used to offset that  
17 customer's electricity load; and

18 (4) (blank).

19 "Energy efficiency" means measures that reduce the amount  
20 of electricity or natural gas consumed in order to achieve a  
21 given end use. "Energy efficiency" includes voltage  
22 optimization measures that optimize the voltage at points on  
23 the electric distribution voltage system and thereby reduce  
24 electricity consumption by electric customers' end use  
25 devices. "Energy efficiency" also includes measures that  
26 reduce the total Btus of electricity, natural gas, and other

1 fuels needed to meet the end use or uses.

2 "Energy storage system" has the meaning given to that term  
3 in Section 16-135 of the Public Utilities Act. "Energy storage  
4 system" does not include technologies that require combustion.

5 "Energy storage resources" means the operational output or  
6 capabilities of energy storage systems. "Energy storage  
7 resources" includes, but is not limited to, energy, capacity,  
8 and energy storage credits.

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

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

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

22 (2) environmental justice communities, as defined by  
23 the Illinois Power Agency pursuant to the Illinois Power  
24 Agency Act, where residents have historically been subject  
25 to disproportionate burdens of pollution, including  
26 pollution from the energy sector.

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

4 (1) persons who graduate from or are current or former  
5 participants in the Clean Jobs Workforce Network Program,  
6 the Clean Energy Contractor Incubator Program, the  
7 Illinois Climate Works Preapprenticeship Program,  
8 Returning Residents Clean Jobs Training Program, or the  
9 Clean Energy Primes Contractor Accelerator Program, and  
10 the solar training pipeline and multi-cultural jobs  
11 program created in paragraphs (1) and (3) of subsection  
12 (a) ~~(a)(1) and (a)(3)~~ of Section 16-108.12 ~~16-208.12~~ of  
13 the Public Utilities Act;

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

16 (3) persons who were formerly incarcerated;

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

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

24 "Facility" means an electric generating unit or a  
25 co-generating unit that produces electricity along with  
26 related equipment necessary to connect the facility to an

1 electric transmission or distribution system.

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

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

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

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

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

1 Conversion technology. "High voltage direct current  
2 transmission facilities" includes the high voltage direct  
3 current converter station itself and associated high voltage  
4 direct current transmission lines. Notwithstanding the  
5 preceding, after September 15, 2021 (the effective date of  
6 Public Act 102-662), an otherwise qualifying collection of  
7 equipment does not qualify as high voltage direct current  
8 transmission facilities unless (1) its developer entered into  
9 a project labor agreement, is capable of transmitting  
10 electricity at 525kv with an Illinois converter station  
11 located and interconnected in the region of the PJM  
12 Interconnection, LLC, and the system does not operate as a  
13 public utility, as that term is defined in Section 3-105 of the  
14 Public Utilities Act, serving more than 100,000 customers as  
15 of January 1, 2021; or (2) its developer has entered into a  
16 project labor agreement prior to construction, the project is  
17 capable of transmitting electricity at 525 kilovolts or above,  
18 and the project has a converter station that is located in this  
19 State or in a state adjacent to this State and is  
20 interconnected to PJM Interconnection, LLC, the Midcontinent  
21 Independent System Operator, Inc., or their successor.

22 "Hydropower" means any method of electricity generation or  
23 storage that results from the flow of water, including  
24 impoundment facilities, diversion facilities, and pumped  
25 storage facilities.

26 "Index price" means the real-time energy settlement price

1 at the applicable Illinois trading hub, such as PJM-NIHUB or  
2 MISO-IL, for a given settlement period.

3 "Indexed renewable energy credit" means a tradable credit  
4 that represents the environmental attributes of one megawatt  
5 hour of energy produced from a renewable energy resource, the  
6 price of which shall be calculated by subtracting the strike  
7 price offered by a new utility-scale wind project or a new  
8 utility-scale photovoltaic project from the index price in a  
9 given settlement period.

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

13 "Local government" means a unit of local government as  
14 defined in Section 1 of Article VII of the Illinois  
15 Constitution.

16 "Modernized" or "retooled" means the construction, repair,  
17 maintenance, or significant expansion of turbines and existing  
18 hydropower dams.

19 "Municipality" means a city, village, or incorporated  
20 town.

21 "Municipal utility" means a public utility owned and  
22 operated by any subdivision or municipal corporation of this  
23 State.

24 "Nameplate capacity" means the aggregate inverter  
25 nameplate capacity in kilowatts AC.

26 "Person" means any natural person, firm, partnership,

1 corporation, either domestic or foreign, company, association,  
2 limited liability company, joint stock company, or association  
3 and includes any trustee, receiver, assignee, or personal  
4 representative thereof.

5 "Project" means the planning, bidding, and construction of  
6 a facility.

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

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

13 (2) provisions establishing the benefits and other  
14 compensation for each class of labor organization  
15 employee;

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

18 (4) provisions establishing that no lockout or  
19 disputes will be engaged in by the general contractor  
20 building the project; and

21 (5) provisions for minorities and women, as defined  
22 under the Business Enterprise for Minorities, Women, and  
23 Persons with Disabilities Act, setting forth goals for  
24 apprenticeship hours to be performed by minorities and  
25 women and setting forth goals for total hours to be  
26 performed by underrepresented minorities and women.

1           A labor organization and the general contractor building  
2 the project shall have the authority to include other terms  
3 and conditions as they deem necessary.

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

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

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

20           "Renewable energy credit" means a tradable credit that  
21 represents the environmental attributes of one megawatt hour  
22 of energy produced from a renewable energy resource.

23           "Renewable energy resources" includes energy and its  
24 associated renewable energy credit or renewable energy credits  
25 from wind, solar thermal energy, photovoltaic cells and  
26 panels, biodiesel, anaerobic digestion, crops and untreated



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

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

24 "Revenue bond" means any bond, note, or other evidence of  
25 indebtedness issued by the Authority, the principal and  
26 interest of which is payable solely from revenues or income

1 derived from any project or activity of the Agency.

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

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

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

16 "Sourcing agreement" means (i) in the case of an electric  
17 utility, an agreement between the owner of a clean coal  
18 facility and such electric utility, which agreement shall have  
19 terms and conditions meeting the requirements of paragraph (3)  
20 of subsection (d) of Section 1-75, (ii) in the case of an  
21 alternative retail electric supplier, an agreement between the  
22 owner of a clean coal facility and such alternative retail  
23 electric supplier, which agreement shall have terms and  
24 conditions meeting the requirements of Section 16-115(d) (5) of  
25 the Public Utilities Act, and (iii) in case of a gas utility,  
26 an agreement between the owner of a clean coal SNG brownfield

1 facility and the gas utility, which agreement shall have the  
2 terms and conditions meeting the requirements of subsection  
3 (h-1) of Section 9-220 of the Public Utilities Act.

4 "Strike price" means a contract price for energy and  
5 renewable energy credits from a new utility-scale wind project  
6 or a new utility-scale photovoltaic project.

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

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

21 "Substitute natural gas" or "SNG" means a gas manufactured  
22 by gasification of hydrocarbon feedstock, which is  
23 substantially interchangeable in use and distribution with  
24 conventional natural gas.

25 "Total resource cost test" or "TRC test" means a standard  
26 that is met if, for an investment in energy efficiency or

1 demand-response measures, the benefit-cost ratio is greater  
2 than one. The benefit-cost ratio is the ratio of the net  
3 present value of the total benefits of the program to the net  
4 present value of the total costs as calculated over the  
5 lifetime of the measures. A total resource cost test compares  
6 the sum of avoided electric utility costs, representing the  
7 benefits that accrue to the system and the participant in the  
8 delivery of those efficiency measures and including avoided  
9 costs associated with reduced use of natural gas or other  
10 fuels, avoided costs associated with reduced water  
11 consumption, ~~and~~ avoided costs associated with reduced  
12 operation and maintenance costs, and avoided societal costs  
13 associated with reductions in greenhouse gas emissions, as  
14 well as other quantifiable societal benefits, to the sum of  
15 all incremental costs of end-use measures that are implemented  
16 due to the program (including both utility and participant  
17 contributions), plus costs to administer, deliver, and  
18 evaluate each demand-side program, to quantify the net savings  
19 obtained by substituting the demand-side program for supply  
20 resources. The societal costs associated with greenhouse gas  
21 emissions shall be \$200 per short ton, expressed in 2025  
22 dollars or the most recently approved estimate developed by  
23 the federal government using a real discount rate consistent  
24 with long-term Treasury bond yields, whichever is greater.  
25 Changes in greenhouse gas emissions due to changes in  
26 electricity consumption shall be estimated using long-run

1 marginal emissions rates developed by the National Renewable  
2 Energy Laboratory's Cambium model or other Illinois-specific  
3 modeling of comparable analytical rigor. ~~In calculating~~  
4 ~~avoided costs of power and energy that an electric utility~~  
5 ~~would otherwise have had to acquire, reasonable estimates~~  
6 ~~shall be included of financial costs likely to be imposed by~~  
7 ~~future regulations and legislation on emissions of greenhouse~~  
8 ~~gases.~~ In discounting future ~~societal~~ costs and benefits for  
9 the purpose of calculating net present values, a societal  
10 discount rate based on actual, long-term Treasury bond yields  
11 should be used. Notwithstanding anything to the contrary, the  
12 TRC test shall not include or take into account a calculation  
13 of market price suppression effects or demand reduction  
14 induced price effects.

15 "Utility-scale solar project" means an electric generating  
16 facility that:

17 (1) generates electricity using photovoltaic cells;

18 and

19 (2) has a nameplate capacity that is greater than  
20 5,000 kilowatts alternating current (AC).

21 "Utility-scale wind project" means an electric generating  
22 facility that:

23 (1) generates electricity using wind; and

24 (2) has a nameplate capacity that is greater than  
25 5,000 kilowatts.

26 "Waste Heat to Power Systems" means systems that capture

1 and generate electricity from energy that would otherwise be  
2 lost to the atmosphere without the use of additional fuel.

3 "Zero emission credit" means a tradable credit that  
4 represents the environmental attributes of one megawatt hour  
5 of energy produced from a zero emission facility.

6 "Zero emission facility" means a facility that: (1) is  
7 fueled by nuclear power; and (2) is interconnected with PJM  
8 Interconnection, LLC or the Midcontinent Independent System  
9 Operator, Inc., or their successors.

10 (Source: P.A. 102-662, eff. 9-15-21; 103-154, eff. 6-28-23;  
11 103-380, eff. 1-1-24.)

12 (20 ILCS 3855/1-20)

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

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

15 (1) Develop electricity procurement plans to ensure  
16 adequate, reliable, affordable, efficient, and  
17 environmentally sustainable electric service at the lowest  
18 total cost over time, taking into account any benefits of  
19 price stability, for electric utilities that on December  
20 31, 2005 provided electric service to at least 100,000  
21 customers in Illinois and for small multi-jurisdictional  
22 electric utilities that (A) on December 31, 2005 served  
23 less than 100,000 customers in Illinois and (B) request a  
24 procurement plan for their Illinois jurisdictional load.  
25 Except as provided in paragraph (1.5) of this subsection

1 (a), the electricity procurement plans shall be updated on  
2 an annual basis and shall include electricity generated  
3 from renewable resources sufficient to achieve the  
4 standards specified in this Act. Beginning with the  
5 delivery year commencing June 1, 2017, develop procurement  
6 plans to include zero emission credits generated from zero  
7 emission facilities sufficient to achieve the standards  
8 specified in this Act. Beginning with the delivery year  
9 commencing on June 1, 2022, the Agency is authorized to  
10 develop carbon mitigation credit procurement plans to  
11 include carbon mitigation credits generated from  
12 carbon-free energy resources sufficient to achieve the  
13 standards specified in this Act.

14 (1.5) Develop a long-term renewable resources  
15 procurement plan in accordance with subsection (c) of  
16 Section 1-75 of this Act for renewable energy credits in  
17 amounts sufficient to achieve the standards specified in  
18 this Act for delivery years commencing June 1, 2017 and  
19 for the programs and renewable energy credits specified in  
20 Section 1-56 of this Act. Electricity procurement plans  
21 for delivery years commencing after May 31, 2017, shall  
22 not include procurement of renewable energy resources.

23 (2) Conduct competitive procurement processes to  
24 procure the supply resources identified in the electricity  
25 procurement plan, pursuant to Section 16-111.5 of the  
26 Public Utilities Act, and, for the delivery year

1 commencing June 1, 2017, conduct procurement processes to  
2 procure zero emission credits from zero emission  
3 facilities, under subsection (d-5) of Section 1-75 of this  
4 Act. For the delivery year commencing June 1, 2022, the  
5 Agency is authorized to conduct procurement processes to  
6 procure carbon mitigation credits from carbon-free energy  
7 resources, under subsection (d-10) of Section 1-75 of this  
8 Act.

9 (2.5) Beginning with the procurement for the 2017  
10 delivery year, conduct competitive procurement processes  
11 and implement programs to procure renewable energy credits  
12 identified in the long-term renewable resources  
13 procurement plan developed and approved under subsection  
14 (c) of Section 1-75 of this Act and Section 16-111.5 of the  
15 Public Utilities Act.

16 (2.10) Oversee the procurement by electric utilities  
17 that served more than 300,000 customers in this State as  
18 of January 1, 2019 of renewable energy credits from new  
19 renewable energy facilities to be installed, along with  
20 energy storage facilities, at or adjacent to the sites of  
21 electric generating facilities that burned coal as their  
22 primary fuel source as of January 1, 2016 in accordance  
23 with subsection (c-5) of Section 1-75 of this Act.

24 (2.15) Oversee the procurement by electric utilities  
25 of renewable energy credits from newly modernized or  
26 retooled hydropower dams or dams that have been converted



1 to support hydropower generation.

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

6 (4) Supply electricity from the Agency's facilities at  
7 cost to one or more of the following: municipal electric  
8 systems, governmental aggregators, or rural electric  
9 cooperatives in Illinois.

10 (5) Develop a long-term energy storage resources  
11 procurement plan and conduct competitive procurement  
12 processes in accordance with subsection (d-20) of Section  
13 1-75.

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

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

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

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

25 (4) To obtain and employ personnel and hire  
26 consultants that are necessary to fulfill the Agency's

1 purposes, and to make expenditures for that purpose within  
2 the appropriations for that purpose.

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

8 (6) To acquire real or personal property, whether  
9 tangible or intangible, including without limitation  
10 property rights, interests in property, franchises,  
11 obligations, contracts, and debt and equity securities,  
12 and to do so by the exercise of the power of eminent domain  
13 in accordance with Section 1-21; except that any real  
14 property acquired by the exercise of the power of eminent  
15 domain must be located within the State.

16 (7) To sell, convey, lease, exchange, transfer,  
17 abandon, or otherwise dispose of, or mortgage, pledge, or  
18 create a security interest in, any of its assets,  
19 properties, or any interest therein, wherever situated.

20 (8) To purchase, take, receive, subscribe for, or  
21 otherwise acquire, hold, make a tender offer for, vote,  
22 employ, sell, lend, lease, exchange, transfer, or  
23 otherwise dispose of, mortgage, pledge, or grant a  
24 security interest in, use, and otherwise deal in and with,  
25 bonds and other obligations, shares, or other securities  
26 (or interests therein) issued by others, whether engaged

1 in a similar or different business or activity.

2 (9) To make and execute agreements, contracts, and  
3 other instruments necessary or convenient in the exercise  
4 of the powers and functions of the Agency under this Act,  
5 including contracts with any person, including personal  
6 service contracts, or with any local government, State  
7 agency, or other entity; and all State agencies and all  
8 local governments are authorized to enter into and do all  
9 things necessary to perform any such agreement, contract,  
10 or other instrument with the Agency. No such agreement,  
11 contract, or other instrument shall exceed 40 years.

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

16 (11) To borrow money at such rate or rates of interest  
17 as the Agency may determine, issue its notes, bonds, or  
18 other obligations to evidence that indebtedness, and  
19 secure any of its obligations by mortgage or pledge of its  
20 real or personal property, machinery, equipment,  
21 structures, fixtures, inventories, revenues, grants, and  
22 other funds as provided or any interest therein, wherever  
23 situated.

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

1           (13) To procure insurance against any loss in  
2 connection with its properties or operations in such  
3 amount or amounts and from such insurers, including the  
4 federal government, as it may deem necessary or desirable,  
5 and to pay any premiums therefor.

6           (14) To negotiate and enter into agreements with  
7 trustees or receivers appointed by United States  
8 bankruptcy courts or federal district courts or in other  
9 proceedings involving adjustment of debts and authorize  
10 proceedings involving adjustment of debts and authorize  
11 legal counsel for the Agency to appear in any such  
12 proceedings.

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

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

19           (17) To enter into an agreement to transfer and to  
20 transfer any land, facilities, fixtures, or equipment of  
21 the Agency to one or more municipal electric systems,  
22 governmental aggregators, or rural electric agencies or  
23 cooperatives, for such consideration and upon such terms  
24 as the Agency may determine to be in the best interest of  
25 the residents of Illinois.

26           (18) To enter upon any lands and within any building

1 whenever in its judgment it may be necessary for the  
2 purpose of making surveys and examinations to accomplish  
3 any purpose authorized by this Act.

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

6 (20) To request information, and to make any inquiry,  
7 investigation, survey, or study that the Agency may deem  
8 necessary to enable it effectively to carry out the  
9 provisions of this Act.

10 (21) To accept and expend appropriations.

11 (22) To engage in any activity or operation that is  
12 incidental to and in furtherance of efficient operation to  
13 accomplish the Agency's purposes, including hiring  
14 employees that the Director deems essential for the  
15 operations of the Agency.

16 (23) To adopt, revise, amend, and repeal rules with  
17 respect to its operations, properties, and facilities as  
18 may be necessary or convenient to carry out the purposes  
19 of this Act, subject to the provisions of the Illinois  
20 Administrative Procedure Act and Sections 1-22 and 1-35 of  
21 this Act.

22 (24) To establish and collect charges and fees as  
23 described in this Act.

24 (25) To conduct competitive gasification feedstock  
25 procurement processes to procure the feedstocks for the  
26 clean coal SNG brownfield facility in accordance with the

1 requirements of Section 1-78 of this Act.

2 (26) To review, revise, and approve sourcing  
3 agreements and mediate and resolve disputes between gas  
4 utilities and the clean coal SNG brownfield facility  
5 pursuant to subsection (h-1) of Section 9-220 of the  
6 Public Utilities Act.

7 (27) To request, review and accept proposals, execute  
8 contracts, purchase renewable energy credits and otherwise  
9 dedicate funds from the Illinois Power Agency Renewable  
10 Energy Resources Fund to create and carry out the  
11 objectives of the Illinois Solar for All Program in  
12 accordance with Section 1-56 of this Act.

13 (28) To ensure Illinois residents and business benefit  
14 from programs administered by the Agency and are properly  
15 protected from any deceptive or misleading marketing  
16 practices by participants in the Agency's programs and  
17 procurements.

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

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

1 (20 ILCS 3855/1-56)

2 Sec. 1-56. Illinois Power Agency Renewable Energy  
3 Resources Fund; Illinois Solar for All Program.

4 (a) The Illinois Power Agency Renewable Energy Resources  
5 Fund is created as a special fund in the State treasury.

6 (b) The Illinois Power Agency Renewable Energy Resources  
7 Fund shall be administered by the Agency as described in this  
8 subsection (b), provided that the changes to this subsection  
9 (b) made by Public Act 99-906 shall not interfere with  
10 existing contracts under this Section.

11 (1) The Illinois Power Agency Renewable Energy  
12 Resources Fund shall be used to purchase renewable energy  
13 credits according to any approved procurement plan  
14 developed by the Agency prior to June 1, 2017.

15 (2) The Illinois Power Agency Renewable Energy  
16 Resources Fund shall also be used to create the Illinois  
17 Solar for All Program, which provides incentives for  
18 low-income distributed generation and community solar  
19 projects, and other associated approved expenditures. The  
20 objectives of the Illinois Solar for All Program are to  
21 bring photovoltaics to low-income communities in this  
22 State in a manner that maximizes the development of new  
23 photovoltaic generating facilities, to create a long-term,  
24 low-income solar marketplace throughout this State, to  
25 integrate, through interaction with stakeholders, with

1 existing energy efficiency initiatives, and to minimize  
2 administrative costs. The Illinois Solar for All Program  
3 shall be implemented in a manner that seeks to minimize  
4 administrative costs, and maximize efficiencies and  
5 synergies available through coordination with similar  
6 initiatives, including the Adjustable Block program  
7 described in subparagraphs (K) through (M) of paragraph  
8 (1) of subsection (c) of Section 1-75, energy efficiency  
9 programs, job training programs, ~~and~~ community action  
10 agencies, and agencies that administer the Low-Income  
11 Home Energy Assistance Program. The Agency shall strive to  
12 ensure that renewable energy credits procured through the  
13 Illinois Solar for All Program and each of its subprograms  
14 are purchased from projects across the breadth of  
15 low-income and environmental justice communities in  
16 Illinois, including both urban and rural communities, are  
17 not concentrated in a few communities, and do not exclude  
18 particular low-income or environmental justice  
19 communities. The Agency shall include a description of its  
20 proposed approach to the design, administration,  
21 implementation and evaluation of the Illinois Solar for  
22 All Program, as part of the long-term renewable resources  
23 procurement plan authorized by subsection (c) of Section  
24 1-75 of this Act, and the program shall be designed to grow  
25 the low-income solar market. The Agency or utility, as  
26 applicable, shall purchase renewable energy credits from



1 the (i) photovoltaic distributed renewable energy  
2 generation projects and (ii) community solar projects that  
3 are procured under procurement processes authorized by the  
4 long-term renewable resources procurement plans approved  
5 by the Commission.

6 The Illinois Solar for All Program shall include the  
7 program offerings described in subparagraphs (A) through  
8 (E) of this paragraph (2), which the Agency shall  
9 implement through contracts with third-party providers  
10 and, subject to appropriation, pay the approximate amounts  
11 identified using monies available in the Illinois Power  
12 Agency Renewable Energy Resources Fund. Each contract that  
13 provides for the installation of solar facilities shall  
14 provide that the solar facilities will produce energy and  
15 economic benefits, at a level determined by the Agency to  
16 be reasonable, for the participating low-income customers.  
17 The monies available in the Illinois Power Agency  
18 Renewable Energy Resources Fund and not otherwise  
19 committed to contracts executed under subsection (i) of  
20 this Section, as well as, in the case of the programs  
21 described under subparagraphs (A) through (E) of this  
22 paragraph (2), funding authorized pursuant to subparagraph  
23 (O) of paragraph (1) of subsection (c) of Section 1-75 of  
24 this Act, shall initially be allocated among the programs  
25 described in this paragraph (2), as follows: 35% of these  
26 funds shall be allocated to programs described in

1       subparagraphs (A) and (E) of this paragraph (2), 40% of  
2       these funds shall be allocated to programs described in  
3       subparagraph (B) of this paragraph (2), and 25% of these  
4       funds shall be allocated to programs described in  
5       subparagraph (C) of this paragraph (2). The allocation of  
6       funds among subparagraphs (A), (B), (C), and (E) of this  
7       paragraph (2) may be changed if the Agency, after  
8       receiving input through a stakeholder process, determines  
9       incentives in subparagraph ~~subparagraphs~~ (A), (B), (C), or  
10      (E) of this paragraph (2) have not been adequately  
11      subscribed to fully utilize available Illinois Solar for  
12      All Program funds.

13       Contracts that will be paid with funds in the Illinois  
14      Power Agency Renewable Energy Resources Fund shall be  
15      executed by the Agency. Contracts that will be paid with  
16      funds collected by an electric utility shall be executed  
17      by the electric utility.

18       Contracts under the Illinois Solar for All Program  
19      shall include an approach, as set forth in the long-term  
20      renewable resources procurement plans, to ensure the  
21      wholesale market value of the energy is credited to  
22      participating low-income customers or organizations and to  
23      ensure tangible economic benefits flow directly to program  
24      participants, except in the case of low-income  
25      multi-family housing where the low-income customer does  
26      not directly pay for energy. Priority shall be given to

1 projects that demonstrate meaningful involvement of  
2 low-income community members in designing the initial  
3 proposals. Acceptable proposals to implement projects must  
4 demonstrate the applicant's ability to conduct initial  
5 community outreach, education, and recruitment of  
6 low-income participants in the community. Projects  
7 submitted by approved vendors must either comply with the  
8 minimum equity standard set forth in subsection (c-10) of  
9 Section 1-75 of this Act or ~~must~~ include job training  
10 opportunities if available, with the specific level of  
11 trainee usage to be determined through the Agency's  
12 long-term renewable resources procurement plan, and the  
13 Illinois Solar for All Program Administrator shall  
14 coordinate with the job training programs described in  
15 paragraph (1) of subsection (a) of Section 16-108.12 of  
16 the Public Utilities Act and in the Energy Transition Act.

17 The Agency shall make every effort to ensure that  
18 small and emerging businesses, particularly those located  
19 in low-income and environmental justice communities, are  
20 able to participate in the Illinois Solar for All Program.  
21 These efforts may include, but shall not be limited to,  
22 proactive support from the program administrator,  
23 different or preferred access to subprograms and  
24 administrator-identified customers or grassroots  
25 education provider-identified customers, and different  
26 incentive levels. The Agency shall report on progress and

1 barriers to participation of small and emerging businesses  
2 in the Illinois Solar for All Program at least once a year.  
3 The report shall be made available on the Agency's website  
4 and, in years when the Agency is updating its long-term  
5 renewable resources procurement plan, included in that  
6 Plan.

7 (A) Low-income single-family and small multifamily  
8 solar incentive. This program will provide incentives  
9 to low-income customers, either directly or through  
10 solar providers, to increase the participation of  
11 low-income households in photovoltaic on-site  
12 distributed generation at residential buildings  
13 containing one to 4 units. Companies participating in  
14 this program that install solar panels shall commit to  
15 meeting a minimum equity standard or hiring job  
16 trainees for a portion of their low-income  
17 installations, and an administrator shall facilitate  
18 partnering the companies that install solar panels  
19 with entities that provide solar panel installation  
20 job training. It is a goal of this program that a  
21 minimum of 25% of the incentives for this program be  
22 allocated to projects located within environmental  
23 justice communities. Contracts entered into under this  
24 paragraph may be entered into with an entity that will  
25 develop and administer the program and shall also  
26 include contracts for renewable energy credits from

1 the photovoltaic distributed generation that is the  
2 subject of the program, as set forth in the long-term  
3 renewable resources procurement plan. Additionally:

4 (i) The Agency shall reserve a portion of this  
5 program for projects that promote energy  
6 sovereignty through ownership of projects by  
7 low-income households, not-for-profit  
8 organizations providing services to low-income  
9 households, affordable housing owners, community  
10 cooperatives, or community-based limited liability  
11 companies providing services to low-income  
12 households. Projects that feature energy ownership  
13 should ensure that local people have control of  
14 the project and reap benefits from the project  
15 over and above energy bill savings. The Agency may  
16 consider the inclusion of projects that promote  
17 ownership over time or that involve partial  
18 project ownership by communities, as promoting  
19 energy sovereignty. Incentives for projects that  
20 promote energy sovereignty may be higher than  
21 incentives for equivalent projects that do not  
22 promote energy sovereignty under this same  
23 program.

24 (ii) Through its long-term renewable resources  
25 procurement plan, the Agency shall consider  
26 additional program and contract requirements to

1 ensure faithful compliance by applicants  
2 benefiting from preferences for projects  
3 designated to promote energy sovereignty. The  
4 Agency shall make every effort to enable solar  
5 providers already participating in the Adjustable  
6 Block ~~program~~ Program under subparagraph (K) of  
7 paragraph (1) of subsection (c) of Section 1-75 of  
8 this Act, and particularly solar providers  
9 developing projects under item (i) of subparagraph  
10 (K) of paragraph (1) of subsection (c) of Section  
11 1-75 of this Act to easily participate in the  
12 Low-Income Distributed Generation Incentive  
13 program described under this subparagraph (A), and  
14 vice versa. This effort may include, but shall not  
15 be limited to, utilizing similar or the same  
16 application systems and processes, utilizing  
17 similar or the same forms and formats of  
18 communication, and providing active outreach to  
19 companies participating in one program but not the  
20 other. The Agency shall report on efforts made to  
21 encourage this cross-participation in its  
22 long-term renewable resources procurement plan.

23 (iii) To maximize equitable participation in  
24 this program and overcome challenges facing the  
25 development of residential solar projects, the  
26 Agency may propose a payment structure for

1           contracts executed pursuant to this subparagraph  
2           (A) under which applicant firms are advanced  
3           capital that is disbursed after contract execution  
4           but before the contracted project's energization,  
5           upon a demonstration of qualification or need  
6           under criteria established by the Agency that are  
7           focused on supporting the small and emerging  
8           businesses and the businesses that most acutely  
9           face barriers to capital access, which severely  
10           limits the businesses' participation in the  
11           program described in this subparagraph (A). The  
12           amount or percentage of capital advanced before  
13           project energization shall be designed to overcome  
14           the barriers in access to capital that are faced  
15           by an applicant. The amount or percentage of  
16           advanced capital may vary under this subparagraph  
17           (A) by an applicant's demonstration of need, with  
18           such levels to be established through the  
19           Long-Term Renewable Resources Procurement Plan and  
20           any application requirements or evaluation  
21           criteria developed under that Plan.

22           (B) Low-Income Community Solar Project Initiative.  
23           Incentives shall be offered to low-income customers,  
24           either directly or through developers, to increase the  
25           participation of low-income subscribers of community  
26           solar projects. The developer of each project shall

1 identify its partnership with community stakeholders  
2 regarding the location, development, and participation  
3 in the project, provided that nothing shall preclude a  
4 project from including an anchor tenant that does not  
5 qualify as low-income. Companies participating in this  
6 program that develop or install solar projects shall  
7 commit to meeting a minimum equity standard or to  
8 hiring job trainees for a portion of their low-income  
9 installations, and an administrator shall facilitate  
10 partnering the companies that install solar projects  
11 with entities that provide solar installation and  
12 related job training. It is a goal of this program that  
13 a minimum of 25% of the incentives for this program be  
14 allocated to community photovoltaic projects in  
15 environmental justice communities. The Agency shall  
16 reserve a portion of this program for projects that  
17 promote energy sovereignty through ownership of  
18 projects by low-income households, not-for-profit  
19 organizations providing services to low-income  
20 households, affordable housing owners, or  
21 community-based limited liability companies providing  
22 services to low-income households. Projects that  
23 feature energy ownership should ensure that local  
24 people have control of the project and reap benefits  
25 from the project over and above energy bill savings.  
26 The Agency may consider the inclusion of projects that



1 promote ownership over time or that involve partial  
2 project ownership by communities, as promoting energy  
3 sovereignty. Incentives for projects that promote  
4 energy sovereignty may be higher than incentives for  
5 equivalent projects that do not promote energy  
6 sovereignty under this same program. Contracts entered  
7 into under this paragraph may be entered into with  
8 developers and shall also include contracts for  
9 renewable energy credits related to the program.

10 (C) Incentives for non-profits and public  
11 facilities. Under this program funds shall be used to  
12 support on-site photovoltaic distributed renewable  
13 energy generation devices to serve the load associated  
14 with not-for-profit customers and to support  
15 photovoltaic distributed renewable energy generation  
16 that uses photovoltaic technology to serve the load  
17 associated with public sector customers taking service  
18 at public buildings. Master-metered multifamily  
19 buildings that primarily house income-eligible  
20 residents may qualify under this subparagraph (C).  
21 Nonprofits and public facilities that can demonstrate  
22 that the nonprofit or public facility serves  
23 income-qualified or environmental justice communities  
24 may potentially qualify for the program, regardless of  
25 physical location. Qualification may be determined  
26 using the same procedures applied to critical service

1           provider requests for the purpose of establishing  
2           project eligibility in areas that are not designated  
3           as income-eligible or environmental justice  
4           communities. Companies participating in this program  
5           that develop or install solar projects shall commit to  
6           meeting a minimum equity standard or to hiring job  
7           trainees for a portion of their low-income  
8           installations, and an administrator shall facilitate  
9           partnering the companies that install solar projects  
10          with entities that provide solar installation and  
11          related job training. Through its long-term renewable  
12          resources procurement plan, the Agency shall consider  
13          additional program and contract requirements to ensure  
14          faithful compliance by applicants benefiting from  
15          preferences for projects designated to promote energy  
16          sovereignty. It is a goal of this program that at least  
17          25% of the incentives for this program be allocated to  
18          projects located in environmental justice communities.  
19          Contracts entered into under this paragraph may be  
20          entered into with an entity that will develop and  
21          administer the program or with developers and shall  
22          also include contracts for renewable energy credits  
23          related to the program.

24                 (D) (Blank).

25                 (E) Low-income large multifamily solar incentive.

26          This program shall provide incentives to low-income

1 customers, either directly or through solar providers,  
2 to increase the participation of low-income households  
3 in photovoltaic on-site distributed generation at  
4 residential buildings with 5 or more units. Companies  
5 participating in this program that develop or install  
6 solar projects shall commit to meeting a minimum  
7 equity standard or to hiring job trainees for a  
8 portion of their low-income installations, and an  
9 administrator shall facilitate partnering the  
10 companies that install solar projects with entities  
11 that provide solar installation and related job  
12 training. It is a goal of this program that a minimum  
13 of 25% of the incentives for this program be allocated  
14 to projects located within environmental justice  
15 communities. The Agency shall reserve a portion of  
16 this program for projects that promote energy  
17 sovereignty through ownership of projects by  
18 low-income households, not-for-profit organizations  
19 providing services to low-income households,  
20 affordable housing owners, or community-based limited  
21 liability companies providing services to low-income  
22 households. Projects that feature energy ownership  
23 should ensure that local people have control of the  
24 project and reap benefits from the project over and  
25 above energy bill savings. The Agency may consider the  
26 inclusion of projects that promote ownership over time

1 or that involve partial project ownership by  
2 communities, as promoting energy sovereignty.  
3 Incentives for projects that promote energy  
4 sovereignty may be higher than incentives for  
5 equivalent projects that do not promote energy  
6 sovereignty under this same program.

7 The requirement that a qualified person, as defined in  
8 paragraph (1) of subsection (i) of this Section, install  
9 photovoltaic devices does not apply to the Illinois Solar  
10 for All Program described in this subsection (b).

11 In addition to the programs outlined in paragraphs (A)  
12 through (E), the Agency and other parties may propose  
13 additional programs through the long-term renewable  
14 resources procurement plan ~~Long Term Renewable Resources~~  
15 ~~Procurement Plan~~ developed and approved under paragraph  
16 (5) of subsection (b) of Section 16-111.5 of the Public  
17 Utilities Act. Additional programs may target market  
18 segments not specified above and may also include  
19 incentives targeted to increase the uptake of  
20 nonphotovoltaic technologies by low-income customers,  
21 including energy storage paired with photovoltaics, if the  
22 Commission determines that the Illinois Solar for All  
23 Program would provide greater benefits to the public  
24 health and well-being of low-income residents through also  
25 supporting that additional program versus supporting  
26 programs already authorized.

1           (3) Costs associated with the Illinois Solar for All  
2 Program and its components described in paragraph (2) of  
3 this subsection (b), including, but not limited to, costs  
4 associated with procuring experts, consultants, and the  
5 program administrator referenced in this subsection (b)  
6 and related incremental costs, costs related to income  
7 verification and facilitating customer participation in  
8 the program through referrals and other methods, costs  
9 related to obtaining feedback on the program from parties  
10 that do not have a financial interest, and costs related  
11 to the evaluation of the Illinois Solar for All Program,  
12 may be paid for using monies in the Illinois Power Agency  
13 Renewable Energy Resources Fund, and funds allocated  
14 pursuant to subparagraph (O) of paragraph (1) of  
15 subsection (c) of Section 1-75, but the Agency or program  
16 administrator shall strive to minimize costs in the  
17 implementation of the program. The Agency or contracting  
18 electric utility shall purchase renewable energy credits  
19 from generation that is the subject of a contract under  
20 subparagraphs (A) through (E) of paragraph (2) of this  
21 subsection (b), and may pay for such renewable energy  
22 credits through an upfront payment per installed kilowatt  
23 of nameplate capacity paid once the device is  
24 interconnected at the distribution system level of the  
25 interconnecting utility and verified as energized. Unless  
26 otherwise provided in the Agency's long-term renewable

1        resources procurement plan, payments ~~Payments~~ for  
2 renewable energy credits shall be in exchange for all  
3 renewable energy credits generated by the system during  
4 the first 15 years of operation and shall be structured to  
5 overcome barriers to participation in the solar market by  
6 the low-income community. The incentives provided for in  
7 this Section may be implemented through the pricing of  
8 renewable energy credits where the prices paid for the  
9 credits are higher than the prices from programs offered  
10 under subsection (c) of Section 1-75 of this Act to  
11 account for the additional capital necessary to  
12 successfully access targeted market segments. The Agency  
13 or contracting electric utility shall retire any renewable  
14 energy credits purchased under this program and the  
15 credits shall count toward the obligation under subsection  
16 (c) of Section 1-75 of this Act for the electric utility to  
17 which the project is interconnected, if applicable.

18        The Agency shall direct that up to 5% of the funds  
19 available under the Illinois Solar for All Program to  
20 community-based groups and other qualifying organizations  
21 to assist in community-driven education efforts related to  
22 the Illinois Solar for All Program, including general  
23 energy education, job training program outreach efforts,  
24 and other activities deemed to be qualified by the Agency.  
25 Grassroots education funding shall not be used to support  
26 the marketing by solar project development firms and

1 organizations, unless such education provides equal  
2 opportunities for all applicable firms and organizations.

3 The Agency may direct up to 25% of the funds currently  
4 allocated to subparagraphs (A), (C), and (E) of paragraph  
5 (2) toward the Illinois Storage for All Program, which  
6 provides incentives through grants, rebates, or other  
7 incentives to encourage development of energy storage  
8 colocated with photovoltaic distributed renewable energy  
9 generation devices developed through the Illinois Solar  
10 for All Program. Any unused Storage for All funds during a  
11 program year may be reallocated to other Solar for All  
12 Program projects that are waitlisted or otherwise not  
13 selected due to funding limitation per the Agency's  
14 defined process. The Illinois Storage for All Program  
15 shall be available to current and future participants of  
16 the low-income single-family and multifamily subprogram  
17 described in subparagraphs (A) and (E) of paragraph (2),  
18 and the subprogram for nonprofit and public facilities  
19 described in subparagraph (C) of paragraph (2). If  
20 developed, the Illinois Storage for All Program may be  
21 designed to support community energy resilience, disaster  
22 preparedness, and energy bill reductions, particularly for  
23 residents of low-income and environmental justice  
24 communities. The Agency may propose the funding amount,  
25 structure, and details of the Illinois Storage for All  
26 Program in the Agency's long-term renewable resources

1 procurement plan described in subsection (c) of Section  
2 1-75 of this Act and Section 16-111.5 of the Public  
3 Utilities Act, or through its energy storage resources  
4 procurement plan described in subsection (d-20) of Section  
5 1-75 of this Act. As part of the development of its initial  
6 energy storage resources procurement plan, the Agency  
7 shall engage stakeholders in the development of the  
8 Illinois Storage for All Program, including, but not  
9 limited to, members of the Illinois Commission on  
10 Environmental Justice described in Section 10 of the  
11 Environmental Justice Act, representatives of approved  
12 vendors participating in the Illinois Solar for All  
13 Program, representatives of community-based  
14 organizations, and members of the Illinois Solar for All  
15 Stakeholder Advisory Group. The stakeholder process shall  
16 include, but not be limited to, an exploration of how to  
17 ensure that the distributed storage will be accessible to  
18 income-qualified households with zero upfront costs and in  
19 coordination with job training programs, as well as how  
20 the program may be supported by other programs or  
21 initiatives to maximize storage benefits and limit  
22 double-counting of incentives.

23 (4) The Agency shall, consistent with the requirements  
24 of this subsection (b), propose the Illinois Solar for All  
25 Program terms, conditions, and requirements, including the  
26 prices to be paid for renewable energy credits, and which



1 prices may be determined through a formula, through the  
2 development, review, and approval of the Agency's  
3 long-term renewable resources procurement plan described  
4 in subsection (c) of Section 1-75 of this Act and Section  
5 16-111.5 of the Public Utilities Act. In the course of the  
6 Commission proceeding initiated to review and approve the  
7 plan, including the Illinois Solar for All Program  
8 proposed by the Agency, a party may propose an additional  
9 low-income solar or solar incentive program, or  
10 modifications to the programs proposed by the Agency, and  
11 the Commission may approve an additional program, or  
12 modifications to the Agency's proposed program, if the  
13 additional or modified program more effectively maximizes  
14 the benefits to low-income customers after taking into  
15 account all relevant factors, including, but not limited  
16 to, the extent to which a competitive market for  
17 low-income solar has developed. Following the Commission's  
18 approval of the Illinois Solar for All Program, the Agency  
19 or a party may propose adjustments to the program terms,  
20 conditions, and requirements, including the price offered  
21 to new systems, to ensure the long-term viability and  
22 success of the program. The Commission shall review and  
23 approve any modifications to the program through the plan  
24 revision process described in Section 16-111.5 of the  
25 Public Utilities Act.

26 (5) The Agency shall issue a request for

1 qualifications for a third-party program administrator or  
2 administrators to administer all or a portion of the  
3 Illinois Solar for All Program. The third-party program  
4 administrator shall be chosen through a competitive bid  
5 process based on selection criteria and requirements  
6 developed by the Agency, including, but not limited to,  
7 experience in administering low-income energy programs and  
8 overseeing statewide clean energy or energy efficiency  
9 services. If the Agency retains a program administrator or  
10 administrators to implement all or a portion of the  
11 Illinois Solar for All Program, each administrator shall  
12 periodically submit reports to the Agency and Commission  
13 for each program that it administers, at appropriate  
14 intervals to be identified by the Agency in its long-term  
15 renewable resources procurement plan, subject to  
16 Commission approval, provided that the reporting interval  
17 is at least an annual period ~~quarterly~~. The third-party  
18 program administrator may be, but need not be, the same  
19 administrator as for the Adjustable Block program  
20 described in subparagraphs (K) through (M) of paragraph  
21 (1) of subsection (c) of Section 1-75. The Agency, through  
22 its long-term renewable resources procurement plan  
23 approval process, shall also determine if individual  
24 subprograms of the Illinois Solar for All Program are  
25 better served by a different or separate Program  
26 Administrator.

1           The third-party administrator's responsibilities  
2 shall also include facilitating placement for graduates of  
3 Illinois-based renewable energy-specific job training  
4 programs, including the Clean Jobs Workforce Network  
5 Program and the Illinois Climate Works Preapprenticeship  
6 Program administered by the Department of Commerce and  
7 Economic Opportunity and programs administered under  
8 Section 16-108.12 of the Public Utilities Act. To increase  
9 the uptake of trainees by participating firms, the  
10 administrator shall also develop a web-based clearinghouse  
11 for information available to both job training program  
12 graduates and firms participating, directly or indirectly,  
13 in Illinois solar incentive programs. The program  
14 administrator shall also coordinate its activities with  
15 entities implementing electric and natural gas  
16 income-qualified energy efficiency programs, including  
17 customer referrals to and from such programs, and connect  
18 prospective low-income solar customers with any existing  
19 deferred maintenance programs where applicable.

20           (6) The long-term renewable resources procurement plan  
21 shall also provide for an independent evaluation of the  
22 Illinois Solar for All Program. At least every 5 ~~2~~ years,  
23 the Agency shall select an independent evaluator to review  
24 and report on the Illinois Solar for All Program and the  
25 performance of the third-party program administrator of  
26 the Illinois Solar for All Program. The evaluation shall

1 be based on objective criteria developed through a public  
2 stakeholder process. The process shall include feedback  
3 and participation from Illinois Solar for All Program  
4 stakeholders, including participants and organizations in  
5 environmental justice and historically underserved  
6 communities. The report shall include a summary of the  
7 evaluation of the Illinois Solar for All Program based on  
8 the stakeholder developed objective criteria. The report  
9 shall include the number of projects installed; the total  
10 installed capacity in kilowatts; the average cost per  
11 kilowatt of installed capacity to the extent reasonably  
12 obtainable by the Agency; the number of jobs or job  
13 opportunities created; economic, social, and environmental  
14 benefits created; and the total administrative costs  
15 expended by the Agency and program administrator to  
16 implement and evaluate the program. The report shall be  
17 prepared at least every 2 years and shall be delivered to  
18 the Commission and posted on the Agency's website, and  
19 shall be used, as needed, to revise the Illinois Solar for  
20 All Program. The Commission shall also consider the  
21 results of the evaluation as part of its review of the  
22 long-term renewable resources procurement plan under  
23 subsection (c) of Section 1-75 of this Act.

24 (7) If additional funding for the programs described  
25 in this subsection (b) is available under subsection (k)  
26 of Section 16-108 of the Public Utilities Act, then the

1 Agency shall submit a procurement plan to the Commission  
2 no later than September 1, 2018, that proposes how the  
3 Agency will procure programs on behalf of the applicable  
4 utility. After notice and hearing, the Commission shall  
5 approve, or approve with modification, the plan no later  
6 than November 1, 2018.

7 (8) As part of the development and update of the  
8 long-term renewable resources procurement plan authorized  
9 by subsection (c) of Section 1-75 of this Act, the Agency  
10 shall plan for: (A) actions to refer customers from the  
11 Illinois Solar for All Program to electric and natural gas  
12 income-qualified energy efficiency programs, and vice  
13 versa, with the goal of increasing participation in both  
14 of these programs; (B) effective procedures for data  
15 sharing, as needed, to effectuate referrals between the  
16 Illinois Solar for All Program and both electric and  
17 natural gas income-qualified energy efficiency programs,  
18 including sharing customer information directly with the  
19 utilities, as needed and appropriate; and (C) efforts to  
20 identify any existing deferred maintenance programs for  
21 which prospective Solar for All Program customers may be  
22 eligible and connect prospective customers for whom  
23 deferred maintenance is or may be a barrier to solar  
24 installation to those programs.

25 Income verification for participation in the Illinois  
26 Solar for All subprograms described in subparagraphs (A) and

1 (C) of paragraph (2) may include pathways for verification  
2 that rely on self-attestation by the applicant if the  
3 applicant's residence is located within a low-income or  
4 environmental justice community as defined in this subsection  
5 (b). The Agency shall proactively explore approaches that make  
6 the income verification process less burdensome for residents  
7 of low-income or environmental justice communities, as defined  
8 in this subsection (b).

9 As used in this subsection (b), "low-income households"  
10 means persons and families whose income does not exceed 80% of  
11 area median income, adjusted for family size and revised every  
12 year.

13 For the purposes of this subsection (b), the Agency shall  
14 define "environmental justice community" based on the  
15 methodologies and findings established by the Agency and the  
16 Administrator for the Illinois Solar for All Program in its  
17 initial long-term renewable resources procurement plan and as  
18 updated by the Agency and the Administrator for the Illinois  
19 Solar for All Program as part of the long-term renewable  
20 resources procurement plan update.

21 (b-5) After the receipt of all payments required by  
22 Section 16-115D of the Public Utilities Act, no additional  
23 funds shall be deposited into the Illinois Power Agency  
24 Renewable Energy Resources Fund unless directed by order of  
25 the Commission.

26 (b-10) After the receipt of all payments required by

1 Section 16-115D of the Public Utilities Act and payment in  
2 full of all contracts executed by the Agency under subsections  
3 (b) and (i) of this Section, if the balance of the Illinois  
4 Power Agency Renewable Energy Resources Fund is under \$5,000,  
5 then the Fund shall be inoperative and any remaining funds and  
6 any funds submitted to the Fund after that date, shall be  
7 transferred to the Supplemental Low-Income Energy Assistance  
8 Fund for use in the Low-Income Home Energy Assistance Program,  
9 as authorized by the Energy Assistance Act.

10 (b-15) The prevailing wage requirements set forth in the  
11 Prevailing Wage Act apply to each project that is undertaken  
12 pursuant to one or more of the programs of incentives and  
13 initiatives described in subsection (b) of this Section and  
14 for which a project application is submitted to the program  
15 after June 30, 2023 (the effective date of Public Act 103-188)  
16 ~~this amendatory Act of the 103rd General Assembly~~, except (i)  
17 projects that serve single-family or multi-family residential  
18 buildings and (ii) projects with an aggregate capacity of less  
19 than 100 kilowatts that serve houses of worship. The Agency  
20 shall require verification that all construction performed on  
21 a project by the renewable energy credit delivery contract  
22 holder, its contractors, or its subcontractors relating to the  
23 construction of the facility is performed by workers receiving  
24 an amount for that work that is greater than or equal to the  
25 general prevailing rate of wages as that term is defined in the  
26 Prevailing Wage Act, and the Agency may adjust renewable

1 energy credit prices to account for increased labor costs.

2 In this subsection (b-15), "house of worship" has the  
3 meaning given in subparagraph (Q) of paragraph (1) of  
4 subsection (c) of Section 1-75.

5 (c) (Blank).

6 (d) (Blank).

7 (e) All renewable energy credits procured using monies  
8 from the Illinois Power Agency Renewable Energy Resources Fund  
9 shall be permanently retired.

10 (f) The selection of one or more third-party program  
11 managers or administrators, the selection of the independent  
12 evaluator, and the procurement processes described in this  
13 Section are exempt from the requirements of the Illinois  
14 Procurement Code, under Section 20-10 of that Code.

15 (g) All disbursements from the Illinois Power Agency  
16 Renewable Energy Resources Fund shall be made only upon  
17 warrants of the Comptroller drawn upon the Treasurer as  
18 custodian of the Fund upon vouchers signed by the Director or  
19 by the person or persons designated by the Director for that  
20 purpose. The Comptroller is authorized to draw the warrant  
21 upon vouchers so signed. The Treasurer shall accept all  
22 warrants so signed and shall be released from liability for  
23 all payments made on those warrants.

24 (h) The Illinois Power Agency Renewable Energy Resources  
25 Fund shall not be subject to sweeps, administrative charges,  
26 or chargebacks, including, but not limited to, those



1 authorized under Section 8h of the State Finance Act, that  
2 would in any way result in the transfer of any funds from this  
3 Fund to any other fund of this State or in having any such  
4 funds utilized for any purpose other than the express purposes  
5 set forth in this Section.

6 (h-5) The Agency may assess fees to each bidder to recover  
7 the costs incurred in connection with a procurement process  
8 held under this Section. Fees collected from bidders shall be  
9 deposited into the Illinois Power Agency Renewable Energy  
10 Resources Fund.

11 (i) Supplemental procurement process.

12 (1) Within 90 days after June 30, 2014 (the effective  
13 date of Public Act 98-672), the Agency shall develop a  
14 one-time supplemental procurement plan limited to the  
15 procurement of renewable energy credits, if available,  
16 from new or existing photovoltaics, including, but not  
17 limited to, distributed photovoltaic generation. Nothing  
18 in this subsection (i) requires procurement of wind  
19 generation through the supplemental procurement.

20 Renewable energy credits procured from new  
21 photovoltaics, including, but not limited to, distributed  
22 photovoltaic generation, under this subsection (i) must be  
23 procured from devices installed by a qualified person. In  
24 its supplemental procurement plan, the Agency shall  
25 establish contractually enforceable mechanisms for  
26 ensuring that the installation of new photovoltaics is

1 performed by a qualified person.

2 For the purposes of this paragraph (1), "qualified  
3 person" means a person who performs installations of  
4 photovoltaics, including, but not limited to, distributed  
5 photovoltaic generation, and who: (A) has completed an  
6 apprenticeship as a journeyman electrician from a United  
7 States Department of Labor registered electrical  
8 apprenticeship and training program and received a  
9 certification of satisfactory completion; or (B) does not  
10 currently meet the criteria under clause (A) of this  
11 paragraph (1), but is enrolled in a United States  
12 Department of Labor registered electrical apprenticeship  
13 program, provided that the person is directly supervised  
14 by a person who meets the criteria under clause (A) of this  
15 paragraph (1); or (C) has obtained one of the following  
16 credentials in addition to attesting to satisfactory  
17 completion of at least 5 years or 8,000 hours of  
18 documented hands-on electrical experience: (i) a North  
19 American Board of Certified Energy Practitioners (NABCEP)  
20 Installer Certificate for Solar PV; (ii) an Underwriters  
21 Laboratories (UL) PV Systems Installer Certificate; (iii)  
22 an Electronics Technicians Association, International  
23 (ETAI) Level 3 PV Installer Certificate; or (iv) an  
24 Associate in Applied Science degree from an Illinois  
25 Community College Board approved community college program  
26 in renewable energy or a distributed generation

1 technology.

2 For the purposes of this paragraph (1), "directly  
3 supervised" means that there is a qualified person who  
4 meets the qualifications under clause (A) of this  
5 paragraph (1) and who is available for supervision and  
6 consultation regarding the work performed by persons under  
7 clause (B) of this paragraph (1), including a final  
8 inspection of the installation work that has been directly  
9 supervised to ensure safety and conformity with applicable  
10 codes.

11 For the purposes of this paragraph (1), "install"  
12 means the major activities and actions required to  
13 connect, in accordance with applicable building and  
14 electrical codes, the conductors, connectors, and all  
15 associated fittings, devices, power outlets, or  
16 apparatuses mounted at the premises that are directly  
17 involved in delivering energy to the premises' electrical  
18 wiring from the photovoltaics, including, but not limited  
19 to, to distributed photovoltaic generation.

20 The renewable energy credits procured pursuant to the  
21 supplemental procurement plan shall be procured using up  
22 to \$30,000,000 from the Illinois Power Agency Renewable  
23 Energy Resources Fund. The Agency shall not plan to use  
24 funds from the Illinois Power Agency Renewable Energy  
25 Resources Fund in excess of the monies on deposit in such  
26 fund or projected to be deposited into such fund. The

1 supplemental procurement plan shall ensure adequate,  
2 reliable, affordable, efficient, and environmentally  
3 sustainable renewable energy resources (including credits)  
4 at the lowest total cost over time, taking into account  
5 any benefits of price stability.

6 To the extent available, 50% of the renewable energy  
7 credits procured from distributed renewable energy  
8 generation shall come from devices of less than 25  
9 kilowatts in nameplate capacity. Procurement of renewable  
10 energy credits from distributed renewable energy  
11 generation devices shall be done through multi-year  
12 contracts of no less than 5 years. The Agency shall create  
13 credit requirements for counterparties. In order to  
14 minimize the administrative burden on contracting  
15 entities, the Agency shall solicit the use of third  
16 parties to aggregate distributed renewable energy. These  
17 third parties shall enter into and administer contracts  
18 with individual distributed renewable energy generation  
19 device owners. An individual distributed renewable energy  
20 generation device owner shall have the ability to measure  
21 the output of his or her distributed renewable energy  
22 generation device.

23 In developing the supplemental procurement plan, the  
24 Agency shall hold at least one workshop open to the public  
25 within 90 days after June 30, 2014 (the effective date of  
26 Public Act 98-672) and shall consider any comments made by

1 stakeholders or the public. Upon development of the  
2 supplemental procurement plan within this 90-day period,  
3 copies of the supplemental procurement plan shall be  
4 posted and made publicly available on the Agency's and  
5 Commission's websites. All interested parties shall have  
6 14 days following the date of posting to provide comment  
7 to the Agency on the supplemental procurement plan. All  
8 comments submitted to the Agency shall be specific,  
9 supported by data or other detailed analyses, and, if  
10 objecting to all or a portion of the supplemental  
11 procurement plan, accompanied by specific alternative  
12 wording or proposals. All comments shall be posted on the  
13 Agency's and Commission's websites. Within 14 days  
14 following the end of the 14-day review period, the Agency  
15 shall revise the supplemental procurement plan as  
16 necessary based on the comments received and file its  
17 revised supplemental procurement plan with the Commission  
18 for approval.

19 (2) Within 5 days after the filing of the supplemental  
20 procurement plan at the Commission, any person objecting  
21 to the supplemental procurement plan shall file an  
22 objection with the Commission. Within 10 days after the  
23 filing, the Commission shall determine whether a hearing  
24 is necessary. The Commission shall enter its order  
25 confirming or modifying the supplemental procurement plan  
26 within 90 days after the filing of the supplemental

1 procurement plan by the Agency.

2 (3) The Commission shall approve the supplemental  
3 procurement plan of renewable energy credits to be  
4 procured from new or existing photovoltaics, including,  
5 but not limited to, distributed photovoltaic generation,  
6 if the Commission determines that it will ensure adequate,  
7 reliable, affordable, efficient, and environmentally  
8 sustainable electric service in the form of renewable  
9 energy credits at the lowest total cost over time, taking  
10 into account any benefits of price stability.

11 (4) The supplemental procurement process under this  
12 subsection (i) shall include each of the following  
13 components:

14 (A) Procurement administrator. The Agency may  
15 retain a procurement administrator in the manner set  
16 forth in item (2) of subsection (a) of Section 1-75 of  
17 this Act to conduct the supplemental procurement or  
18 may elect to use the same procurement administrator  
19 administering the Agency's annual procurement under  
20 Section 1-75.

21 (B) Procurement monitor. The procurement monitor  
22 retained by the Commission pursuant to Section  
23 16-111.5 of the Public Utilities Act shall:

24 (i) monitor interactions among the procurement  
25 administrator and bidders and suppliers;

26 (ii) monitor and report to the Commission on

1 the progress of the supplemental procurement  
2 process;

3 (iii) provide an independent confidential  
4 report to the Commission regarding the results of  
5 the procurement events;

6 (iv) assess compliance with the procurement  
7 plan approved by the Commission for the  
8 supplemental procurement process;

9 (v) preserve the confidentiality of supplier  
10 and bidding information in a manner consistent  
11 with all applicable laws, rules, regulations, and  
12 tariffs;

13 (vi) provide expert advice to the Commission  
14 and consult with the procurement administrator  
15 regarding issues related to procurement process  
16 design, rules, protocols, and policy-related  
17 matters;

18 (vii) consult with the procurement  
19 administrator regarding the development and use of  
20 benchmark criteria, standard form contracts,  
21 credit policies, and bid documents; and

22 (viii) perform, with respect to the  
23 supplemental procurement process, any other  
24 procurement monitor duties specifically delineated  
25 within subsection (i) of this Section.

26 (C) Solicitation, prequalification, and

1 registration of bidders. The procurement administrator  
2 shall disseminate information to potential bidders to  
3 promote a procurement event, notify potential bidders  
4 that the procurement administrator may enter into a  
5 post-bid price negotiation with bidders that meet the  
6 applicable benchmarks, provide supply requirements,  
7 and otherwise explain the competitive procurement  
8 process. In addition to such other publication as the  
9 procurement administrator determines is appropriate,  
10 this information shall be posted on the Agency's and  
11 the Commission's websites. The procurement  
12 administrator shall also administer the  
13 prequalification process, including evaluation of  
14 credit worthiness, compliance with procurement rules,  
15 and agreement to the standard form contract developed  
16 pursuant to item (D) of this paragraph (4). The  
17 procurement administrator shall then identify and  
18 register bidders to participate in the procurement  
19 event.

20 (D) Standard contract forms and credit terms and  
21 instruments. The procurement administrator, in  
22 consultation with the Agency, the Commission, and  
23 other interested parties and subject to Commission  
24 oversight, shall develop and provide standard contract  
25 forms for the supplier contracts that meet generally  
26 accepted industry practices as well as include any



1 applicable State of Illinois terms and conditions that  
2 are required for contracts entered into by an agency  
3 of the State of Illinois. Standard credit terms and  
4 instruments that meet generally accepted industry  
5 practices shall be similarly developed. Contracts for  
6 new photovoltaics shall include a provision attesting  
7 that the supplier will use a qualified person for the  
8 installation of the device pursuant to paragraph (1)  
9 of subsection (i) of this Section. The procurement  
10 administrator shall make available to the Commission  
11 all written comments it receives on the contract  
12 forms, credit terms, or instruments. If the  
13 procurement administrator cannot reach agreement with  
14 the parties as to the contract terms and conditions,  
15 the procurement administrator must notify the  
16 Commission of any disputed terms and the Commission  
17 shall resolve the dispute. The terms of the contracts  
18 shall not be subject to negotiation by winning  
19 bidders, and the bidders must agree to the terms of the  
20 contract in advance so that winning bids are selected  
21 solely on the basis of price.

22 (E) Requests for proposals; competitive  
23 procurement process. The procurement administrator  
24 shall design and issue requests for proposals to  
25 supply renewable energy credits in accordance with the  
26 supplemental procurement plan, as approved by the

1 Commission. The requests for proposals shall set forth  
2 a procedure for sealed, binding commitment bidding  
3 with pay-as-bid settlement, and provision for  
4 selection of bids on the basis of price, provided,  
5 however, that no bid shall be accepted if it exceeds  
6 the benchmark developed pursuant to item (F) of this  
7 paragraph (4).

8 (F) Benchmarks. Benchmarks for each product to be  
9 procured shall be developed by the procurement  
10 administrator in consultation with Commission staff,  
11 the Agency, and the procurement monitor for use in  
12 this supplemental procurement.

13 (G) A plan for implementing contingencies in the  
14 event of supplier default, Commission rejection of  
15 results, or any other cause.

16 (5) Within 2 business days after opening the sealed  
17 bids, the procurement administrator shall submit a  
18 confidential report to the Commission. The report shall  
19 contain the results of the bidding for each of the  
20 products along with the procurement administrator's  
21 recommendation for the acceptance and rejection of bids  
22 based on the price benchmark criteria and other factors  
23 observed in the process. The procurement monitor also  
24 shall submit a confidential report to the Commission  
25 within 2 business days after opening the sealed bids. The  
26 report shall contain the procurement monitor's assessment

1 of bidder behavior in the process as well as an assessment  
2 of the procurement administrator's compliance with the  
3 procurement process and rules. The Commission shall review  
4 the confidential reports submitted by the procurement  
5 administrator and procurement monitor and shall accept or  
6 reject the recommendations of the procurement  
7 administrator within 2 business days after receipt of the  
8 reports.

9 (6) Within 3 business days after the Commission  
10 decision approving the results of a procurement event, the  
11 Agency shall enter into binding contractual arrangements  
12 with the winning suppliers using the standard form  
13 contracts.

14 (7) The names of the successful bidders and the  
15 average of the winning bid prices for each contract type  
16 and for each contract term shall be made available to the  
17 public within 2 days after the supplemental procurement  
18 event. The Commission, the procurement monitor, the  
19 procurement administrator, the Agency, and all  
20 participants in the procurement process shall maintain the  
21 confidentiality of all other supplier and bidding  
22 information in a manner consistent with all applicable  
23 laws, rules, regulations, and tariffs. Confidential  
24 information, including the confidential reports submitted  
25 by the procurement administrator and procurement monitor  
26 pursuant to this Section, shall not be made publicly

1 available and shall not be discoverable by any party in  
2 any proceeding, absent a compelling demonstration of need,  
3 nor shall those reports be admissible in any proceeding  
4 other than one for law enforcement purposes.

5 (8) The supplemental procurement provided in this  
6 subsection (i) shall not be subject to the requirements  
7 and limitations of subsections (c) and (d) of this  
8 Section.

9 (9) Expenses incurred in connection with the  
10 procurement process held pursuant to this Section,  
11 including, but not limited to, the cost of developing the  
12 supplemental procurement plan, the procurement  
13 administrator, procurement monitor, and the cost of the  
14 retirement of renewable energy credits purchased pursuant  
15 to the supplemental procurement shall be paid for from the  
16 Illinois Power Agency Renewable Energy Resources Fund. The  
17 Agency shall enter into an interagency agreement with the  
18 Commission to reimburse the Commission for its costs  
19 associated with the procurement monitor for the  
20 supplemental procurement process.

21 (Source: P.A. 102-662, eff. 9-15-21; 103-188, eff. 6-30-23;  
22 103-605, eff. 7-1-24; 103-1066, eff. 2-20-25; revised  
23 6-23-25.)

24 (20 ILCS 3855/1-75)

25 Sec. 1-75. Planning and Procurement Bureau. The Planning

1 and Procurement Bureau has the following duties and  
2 responsibilities:

3 (a) The Planning and Procurement Bureau shall each year,  
4 beginning in 2008, develop procurement plans and conduct  
5 competitive procurement processes in accordance with the  
6 requirements of Section 16-111.5 of the Public Utilities Act  
7 for the eligible retail customers of electric utilities that  
8 on December 31, 2005 provided electric service to at least  
9 100,000 customers in Illinois. Beginning with the delivery  
10 year commencing on June 1, 2017, the Planning and Procurement  
11 Bureau shall develop plans and processes for the procurement  
12 of zero emission credits from zero emission facilities in  
13 accordance with the requirements of subsection (d-5) of this  
14 Section. Beginning on the effective date of this amendatory  
15 Act of the 102nd General Assembly, the Planning and  
16 Procurement Bureau shall develop plans and processes for the  
17 procurement of carbon mitigation credits from carbon-free  
18 energy resources in accordance with the requirements of  
19 subsection (d-10) of this Section. The Planning and  
20 Procurement Bureau shall also develop procurement plans and  
21 conduct competitive procurement processes in accordance with  
22 the requirements of Section 16-111.5 of the Public Utilities  
23 Act for the eligible retail customers of small  
24 multi-jurisdictional electric utilities that (i) on December  
25 31, 2005 served less than 100,000 customers in Illinois and  
26 (ii) request a procurement plan for their Illinois

1 jurisdictional load. This Section shall not apply to a small  
2 multi-jurisdictional utility until such time as a small  
3 multi-jurisdictional utility requests the Agency to prepare a  
4 procurement plan for their Illinois jurisdictional load. For  
5 the purposes of this Section, the term "eligible retail  
6 customers" has the same definition as found in Section  
7 16-111.5(a) of the Public Utilities Act.

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

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

26 (1) The Agency shall each year, beginning in 2008, as

1 needed, issue a request for qualifications for experts or  
2 expert consulting firms to develop the procurement plans  
3 in accordance with Section 16-111.5 of the Public  
4 Utilities Act. In order to qualify an expert or expert  
5 consulting firm must have:

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

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

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

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

18 (E) expertise in credit protocols and familiarity  
19 with contract protocols;

20 (F) adequate resources to perform and fulfill the  
21 required functions and responsibilities; and

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

25 (2) The Agency shall each year, as needed, issue a  
26 request for qualifications for a procurement administrator

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

5 (A) direct previous experience administering a  
6 large-scale competitive procurement process;

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

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

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

15 (E) expertise in credit and contract protocols;

16 (F) adequate resources to perform and fulfill the  
17 required functions and responsibilities; and

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

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



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

10 (A) failure to satisfy qualification criteria;

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

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

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

24 (4) The Agency shall issue requests for proposals to  
25 the qualified experts or expert consulting firms to  
26 develop a procurement plan for the affected utilities and

1 to serve as procurement administrator.

2 (5) The Agency shall select an expert or expert  
3 consulting firm to develop procurement plans based on the  
4 proposals submitted and shall award contracts of up to 5  
5 years to those selected.

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

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

1 than 100,000 customers in Illinois and (ii) request a  
2 procurement plan for their Illinois jurisdictional load.

3 (c) Renewable portfolio standard.

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

1 subject to review and approval by the Commission under  
2 Section 16-111.5 of the Public Utilities Act.

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

1           this subparagraph (B) by procuring renewable energy  
2           credits that are unlikely to lead to the development of  
3           new renewable resources or new, modernized, or retooled  
4           hydropower facilities.

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

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

25          For the delivery year beginning June 1, 2019, and for  
26          each year thereafter, the procurement plans shall attempt

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

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

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

26 (i) At least 10,000,000 renewable energy credits

1 delivered annually by the end of the 2021 delivery  
2 year, and increasing ratably to reach 45,000,000  
3 renewable energy credits delivered annually from new  
4 wind and solar projects, from repowered wind projects,  
5 or from retooled hydropower facilities by the end of  
6 delivery year 2030 such that the goals in subparagraph  
7 (B) of this paragraph (1) are met entirely by  
8 procurements of renewable energy credits from new wind  
9 and photovoltaic projects. Of that amount, to the  
10 extent possible, the Agency shall endeavor to procure  
11 45% from new and repowered wind and hydropower  
12 projects and shall procure at least 55% from  
13 photovoltaic projects. Of the amount to be procured  
14 from photovoltaic projects, the Agency shall procure:  
15 at least 50% from solar photovoltaic projects using  
16 the program outlined in subparagraph (K) of this  
17 paragraph (1) from distributed renewable energy  
18 generation devices or community renewable generation  
19 projects; at least 47% from utility-scale solar  
20 projects; at least 3% from brownfield site  
21 photovoltaic projects that are not community renewable  
22 generation projects. The Agency may propose  
23 adjustments to these percentages, including  
24 establishing percentage-based goals for the  
25 procurement of renewable energy credits from  
26 modernized or retooled hydropower facilities and

1 repowered wind projects, through its long-term  
2 renewable resources plan described in subparagraph (A)  
3 of this paragraph (1) as necessary based on developer  
4 interest, market conditions, budget considerations,  
5 resource adequacy needs, or other factors.

6 In developing the long-term renewable resources  
7 procurement plan, the Agency shall consider other  
8 approaches, in addition to competitive procurements,  
9 that can be used to procure renewable energy credits  
10 from brownfield site photovoltaic projects and thereby  
11 help return blighted or contaminated land to  
12 productive use while enhancing public health and the  
13 well-being of Illinois residents, including those in  
14 environmental justice communities, as defined using  
15 existing methodologies and findings used by the Agency  
16 and its Administrator in its Illinois Solar for All  
17 Program. The Agency shall also consider other  
18 approaches, in addition to competitive procurements,  
19 to procure renewable energy credits from new and  
20 existing hydropower facilities to support the  
21 development and maintenance of these facilities. The  
22 Agency shall explore options to convert existing dams  
23 but shall not consider approaches to develop new dams  
24 where they do not already exist. To encourage the  
25 continued operation of utility-scale wind projects,  
26 the Agency shall consider and may propose other



1 approaches in addition to competitive procurements to  
2 procure renewable energy credits from repowered wind  
3 projects.

4 (ii) In any given delivery year, if forecasted  
5 expenses are less than the maximum budget available  
6 under subparagraph (E) of this paragraph (1), the  
7 Agency shall continue to procure new renewable energy  
8 credits until that budget is exhausted in the manner  
9 outlined in item (i) of this subparagraph (C).

10 (iii) For purposes of this Section:

11 "New wind projects" means wind renewable energy  
12 facilities that are energized after June 1, 2017 for  
13 the delivery year commencing June 1, 2017.

14 "New photovoltaic projects" means photovoltaic  
15 renewable energy facilities that are energized after  
16 June 1, 2017. Photovoltaic projects developed under  
17 Section 1-56 of this Act shall not apply towards the  
18 new photovoltaic project requirements in this  
19 subparagraph (C).

20 "Repowered wind projects" means utility-scale wind  
21 projects featuring the removal, replacement, or  
22 expansion of turbines at an existing project site, as  
23 defined in the long-term renewable resources  
24 procurement plan, after the effective date of this  
25 amendatory Act of the 103rd General Assembly.  
26 Renewable energy credit contract awards used to

1 support repowered wind projects shall only cover the  
2 incremental increase in facility electricity  
3 production resultant from repowering.

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

16 (iv) The Agency may implement additional measures,  
17 including eligibility requirements, to ensure that new  
18 wind projects and new photovoltaic projects supported  
19 through renewable energy credit contract awards are a  
20 result of a contract award and are otherwise developed  
21 pursuant to the financial certainty provided through a  
22 contract award.

23 (D) Renewable energy credits shall be cost effective.  
24 For purposes of this subsection (c), "cost effective"  
25 means that the costs of procuring renewable energy  
26 resources do not cause the limit stated in subparagraph

1 (E) of this paragraph (1) to be exceeded and, for  
2 renewable energy credits procured through a competitive  
3 procurement event, do not exceed benchmarks based on  
4 market prices for like products in the region. For  
5 purposes of this subsection (c), "like products" means  
6 contracts for renewable energy credits from the same or  
7 substantially similar technology, same or substantially  
8 similar vintage (new or existing), the same or  
9 substantially similar quantity, and the same or  
10 substantially similar contract length and structure.  
11 Benchmarks shall reflect development, financing, or  
12 related costs resulting from requirements imposed through  
13 other provisions of State law, including, but not limited  
14 to, requirements in subparagraphs (P) and (Q) of this  
15 paragraph (1) and the Renewable Energy Facilities  
16 Agricultural Impact Mitigation Act. Confidential  
17 benchmarks shall be developed by the procurement  
18 administrator, in consultation with the Commission staff,  
19 Agency staff, and the procurement monitor and shall be  
20 subject to Commission review and approval. If price  
21 benchmarks for like products in the region are not  
22 available, the procurement administrator shall establish  
23 price benchmarks based on publicly available data on  
24 regional technology costs and expected current and future  
25 regional energy prices. The benchmarks in this Section  
26 shall not be used to curtail or otherwise reduce

1 contractual obligations entered into by or through the  
2 Agency prior to June 1, 2017 (the effective date of Public  
3 Act 99-906).

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

25 Notwithstanding the requirements of this subsection  
26 (c), and except as provided in subparagraph (E-5) of

1 paragraph (1) of this subsection (c) or except as  
2 otherwise authorized by the Commission in its approval of  
3 the integrated resource plan under Section 16-202 of the  
4 Public Utilities Act, the total of renewable energy  
5 resources procured under the procurement plan for any  
6 single year shall be subject to the limitations of this  
7 subparagraph (E). Such procurement shall be reduced for  
8 all retail customers based on the amount necessary to  
9 limit the annual estimated average net increase due to the  
10 costs of these resources included in the amounts paid by  
11 eligible retail customers in connection with electric  
12 service to no more than 4.25% of the amount paid per  
13 kilowatthour by those customers during the year ending May  
14 31, 2009, adjusted annually for inflation starting with  
15 the first adjustment in the delivery year commencing June  
16 1, 2026. For the purposes of this Section, the inflation  
17 adjustment shall not be accrued or applied retroactively  
18 prior to the effective date of this amendatory Act of the  
19 104th General Assembly and shall apply prospectively  
20 starting in 2025. The limitation shall be increased by an  
21 additional 1.65 percentage points of the amount paid per  
22 kilowatthour by eligible retail customers during the year  
23 ending May 31, 2009 starting with the delivery year  
24 commencing June 1, 2027. To arrive at a maximum dollar  
25 amount of renewable energy resources to be procured for  
26 the particular delivery year, the resulting per

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

24 (E-5) If, for a particular delivery year, the  
25 limitation on the amount of renewable energy resources to  
26 be procured, as calculated pursuant to subparagraph (E) of

1 paragraph (1) of this subsection (c), would result in an  
2 insufficient collection of funds to fully pay amounts due  
3 to a seller under existing contracts executed under this  
4 Section or executed under Section 1-56 of this Act, then  
5 the following provisions shall apply to ensure full and  
6 uninterrupted payment is made to such seller or sellers:

7 (i) If the electric utility has retained unspent  
8 funds in an interest-bearing account as prescribed in  
9 subsection (k) of Section 16-108 of the Public  
10 Utilities Act, then the utility shall use those funds  
11 to remit full payment to the sellers to ensure prompt  
12 and uninterrupted payment of existing contractual  
13 obligation.

14 (ii) If the funds described in item (i) of this  
15 subparagraph (E-5) are insufficient to satisfy all  
16 existing contractual obligations, then the electric  
17 utility shall, nonetheless, remit full payment to the  
18 sellers to ensure prompt and uninterrupted payment of  
19 existing contractual obligations, provided that the  
20 full costs shall be recoverable by the utility in  
21 accordance with part (ee) of item (iv) of this  
22 subsection (E-5).

23 (iii) The Agency shall promptly notify the  
24 Commission that existing contractual obligations are  
25 reasonably expected to exceed the maximum collection  
26 authorized under subparagraph (E) of paragraph (1) of

1           this subsection (c) for the applicable delivery year.  
2           The Agency shall also explain and confirm how the  
3           operation of items (i) and (ii) of this subparagraph  
4           (E-5) ensures that the electric utility will continue  
5           to make prompt and uninterrupted payment under  
6           existing contractual obligations. The Agency shall  
7           provide this information to the Commission through a  
8           notice filed in the Commission docket approving the  
9           Agency's operative Long-Term Renewable Resources  
10          Procurement Plan that includes the applicable delivery  
11          year.

12           (iv) The Agency shall suspend or reduce new  
13          contract awards for the procurement of renewable  
14          energy credits until an Agency determination is made  
15          under subparagraph (E) that additional procurements  
16          would not cause the rate impact limitation of  
17          subparagraph (E) to be exceeded. At least once  
18          annually after the notice provided for in item (iii)  
19          of this subparagraph (E-5) is made, the Agency shall  
20          analyze existing contract obligations, projected  
21          prices for indexed renewable energy credit contracts  
22          executed under item (v) of subparagraph (G) of  
23          paragraph (1) of subsection (c) of Section 1-75 of  
24          this Act, and expected collections authorized under  
25          subparagraph (E) to determine whether and to what  
26          extent the limitations of subparagraph (E) would be



1 exceeded by additional renewable energy credit  
2 procurement contract awards.

3 (aa) If the Agency determines that additional  
4 renewable energy credit procurement contract  
5 awards could be made without exceeding the  
6 limitations of subparagraph (E), then the  
7 procurements shall be authorized at a scale  
8 determined not to exceed the limitations of  
9 subparagraph (E) in a manner consistent with the  
10 priorities of this Section.

11 (bb) If the Agency determines that additional  
12 renewable energy credit procurement contract  
13 awards cannot be made without exceeding the  
14 limitations of subparagraph (E), then the Agency  
15 shall suspend any new contract awards for the  
16 procurement of renewable energy credits until a  
17 new rate impact determination is made under  
18 subparagraph (E).

19 (cc) Agency determinations made under this  
20 item (iv) shall be detailed and comprehensive and,  
21 if not made through the Agency's Long-Term  
22 Renewable Resources Procurement Plan, shall be  
23 filed as a compliance filing in the most recent  
24 docketed proceeding approving the Agency's  
25 Long-Term Renewable Resources Procurement Plan.

26 (dd) With respect to the procurement of

1 renewable energy credits authorized through  
2 programs administered under subsection (b) of  
3 Section 1-56 and subparagraphs (K) through (M) of  
4 paragraph (1) of subsection (k) of Section 1-75 of  
5 this Act, the award of contracts for the  
6 procurement of renewable energy credits shall be  
7 suspended or reduced only at the conclusion of the  
8 program year in which the notice provided for  
9 under item (iii) of this subparagraph (E-5) is  
10 made.

11 (ee) The contract shall provide that, so long  
12 as at least one of: (i) the cost recovery  
13 mechanisms referenced in subsection (k) of Section  
14 16-108 and subsection (1) of Section 16-111.5 of  
15 the Public Utilities Act remains in full force  
16 without limitation or (ii) the utility is  
17 otherwise authorized and or entitled to full,  
18 prompt, and uninterrupted recovery of its costs  
19 through any other mechanism, then such seller  
20 shall be entitled to full, prompt, and  
21 uninterrupted payment under the applicable  
22 contract notwithstanding the application of this  
23 subparagraph (E).

24 (F) If the limitation on the amount of renewable  
25 energy resources procured in subparagraph (E) of this  
26 paragraph (1) prevents the Agency from meeting all of the

1 goals in this subsection (c), the Agency's long-term plan  
2 shall prioritize compliance with the requirements of this  
3 subsection (c) regarding renewable energy credits in the  
4 following order:

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

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

10 (ii) renewable energy credits necessary to comply  
11 with the new wind and new photovoltaic procurement  
12 requirements described in items (i) through (iii) of  
13 subparagraph (C) of this paragraph (1); and

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

16 (G) The following provisions shall apply to the  
17 Agency's procurement of renewable energy credits under  
18 this subsection (c):

19 (i) Notwithstanding whether a long-term renewable  
20 resources procurement plan has been approved, the  
21 Agency shall conduct an initial forward procurement  
22 for renewable energy credits from new utility-scale  
23 wind projects within 160 days after June 1, 2017 (the  
24 effective date of Public Act 99-906). For the purposes  
25 of this initial forward procurement, the Agency shall  
26 solicit 15-year contracts for delivery of 1,000,000

1 renewable energy credits delivered annually from new  
2 utility-scale wind projects to begin delivery on June  
3 1, 2019, if available, but not later than June 1, 2021,  
4 unless the project has delays in the establishment of  
5 an operating interconnection with the applicable  
6 transmission or distribution system as a result of the  
7 actions or inactions of the transmission or  
8 distribution provider, or other causes for force  
9 majeure as outlined in the procurement contract, in  
10 which case, not later than June 1, 2022. Payments to  
11 suppliers of renewable energy credits shall commence  
12 upon delivery. Renewable energy credits procured under  
13 this initial procurement shall be included in the  
14 Agency's long-term plan and shall apply to all  
15 renewable energy goals in this subsection (c).

16 (ii) Notwithstanding whether a long-term renewable  
17 resources procurement plan has been approved, the  
18 Agency shall conduct an initial forward procurement  
19 for renewable energy credits from new utility-scale  
20 solar projects and brownfield site photovoltaic  
21 projects within one year after June 1, 2017 (the  
22 effective date of Public Act 99-906). For the purposes  
23 of this initial forward procurement, the Agency shall  
24 solicit 15-year contracts for delivery of 1,000,000  
25 renewable energy credits delivered annually from new  
26 utility-scale solar projects and brownfield site

1 photovoltaic projects to begin delivery on June 1,  
2 2019, if available, but not later than June 1, 2021,  
3 unless the project has delays in the establishment of  
4 an operating interconnection with the applicable  
5 transmission or distribution system as a result of the  
6 actions or inactions of the transmission or  
7 distribution provider, or other causes for force  
8 majeure as outlined in the procurement contract, in  
9 which case, not later than June 1, 2022. The Agency may  
10 structure this initial procurement in one or more  
11 discrete procurement events. Payments to suppliers of  
12 renewable energy credits shall commence upon delivery.  
13 Renewable energy credits procured under this initial  
14 procurement shall be included in the Agency's  
15 long-term plan and shall apply to all renewable energy  
16 goals in this subsection (c).

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

1 to meet the requirements of subparagraph (C) of this  
2 paragraph (1) through the delivery year beginning June  
3 1, 2021.

4 (iv) Notwithstanding whether the Commission has  
5 approved the periodic long-term renewable resources  
6 procurement plan revision described in Section  
7 16-111.5 of the Public Utilities Act, the Agency shall  
8 open capacity for each category in the Adjustable  
9 Block program within 90 days after the effective date  
10 of this amendatory Act of the 102nd General Assembly  
11 manner:

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

1 based on the estimated generation during the first  
2 15 years of operation, by the contracting  
3 utilities at the time that the facility producing  
4 the renewable energy credits is interconnected at  
5 the distribution system level of the utility and  
6 verified as energized and in compliance by the  
7 Program Administrator. The electric utility shall  
8 receive and retire all renewable energy credits  
9 generated by the project for the first 15 years of  
10 operation. Renewable energy credits generated by  
11 the project thereafter shall not be transferred  
12 under the renewable energy credit delivery  
13 contract with the counterparty electric utility.

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

20 (A) The price of the renewable energy  
21 credit for any project on a waitlist for this  
22 category before the opening of this block  
23 shall be 4% less than the price of the last  
24 open block in this category. Projects on the  
25 waitlist shall be awarded contracts first in  
26 the order in which they appear on the

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



1           the first 15 years of operation. Renewable  
2           energy credits generated by the project  
3           thereafter shall not be transferred under the  
4           renewable energy credit delivery contract with  
5           the counterparty electric utility.

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

21          (3) For opening the first 2 blocks of annual  
22          capacity for projects participating in item (iii)  
23          of subparagraph (K) of paragraph (1) of subsection  
24          (c), projects shall be selected exclusively from  
25          those projects on the ordinal waitlists of  
26          community renewable generation projects

1 established by the Agency based on the status of  
2 those ordinal waitlists as of December 31, 2020,  
3 and only those projects previously determined to  
4 be eligible for the Agency's April 2019 community  
5 solar project selection process.

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

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

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

25 (i) Each applicant firm having a  
26 waitlisted project eligible for selection

1 shall receive no less than 500 kilowatts  
2 in awarded capacity across all groups, and  
3 no approved vendor may receive more than  
4 20% of each Group's waitlist allocation.

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

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

17 (iv) Assuming all other program  
18 requirements are met, applicant firms may  
19 adjust the expected production associated  
20 with applicant projects, subject to  
21 verification by the Program Administrator.

22 (C) After a review of affiliate  
23 information and the current ordinal waitlists,  
24 the Agency shall announce the nameplate  
25 capacity award amounts associated with  
26 applicant firms no later than 90 days after

1 the effective date of this amendatory Act of  
2 the 102nd General Assembly.

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

22 (E) The renewable energy credit delivery  
23 contract shall be subject to the contract and  
24 payment terms outlined in item (iv) of  
25 subparagraph (L) of this subsection (c).  
26 Contract instruments used for this

1           subparagraph shall contain the following  
2           terms:

3                   (i) Renewable energy credit prices  
4                   shall be fixed, without further adjustment  
5                   under any other provision of this Act or  
6                   for any other reason, at 10% lower than  
7                   prices applicable to the last open block  
8                   for this category, inclusive of any adders  
9                   available for achieving a minimum of 50%  
10                  of subscribers to the project's nameplate  
11                  capacity being residential or small  
12                  commercial customers with subscriptions of  
13                  below 25 kilowatts in size;

14                  (ii) A requirement that a minimum of  
15                  50% of subscribers to the project's  
16                  nameplate capacity be residential or small  
17                  commercial customers with subscriptions of  
18                  below 25 kilowatts in size;

19                  (iii) Permission for the ability of a  
20                  contract holder to substitute projects  
21                  with other waitlisted projects without  
22                  penalty should a project receive a  
23                  non-binding estimate of costs to construct  
24                  the interconnection facilities and any  
25                  required distribution upgrades associated  
26                  with that project of greater than 30 cents

1 per watt AC of that project's nameplate  
2 capacity. In developing the applicable  
3 contract instrument, the Agency may  
4 consider whether other circumstances  
5 outside of the control of the applicant  
6 firm should also warrant project  
7 substitution rights.

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

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

21 (4) The Agency shall open the first block of  
22 annual capacity for the category described in item  
23 (iv) of subparagraph (K) of this paragraph (1).  
24 The first block of annual capacity for item (iv)  
25 shall be for at least 50 megawatts of total  
26 nameplate capacity. Renewable energy credit prices

1 shall be fixed, without further adjustment under  
2 any other provision of this Act or for any other  
3 reason, at the price in the last open block in the  
4 category described in item (ii) of subparagraph  
5 (K) of this paragraph (1). Pricing for future  
6 blocks of annual capacity for this category may be  
7 adjusted in the Agency's second revision to its  
8 Long-Term Renewable Resources Procurement Plan.  
9 Projects in this category shall be subject to the  
10 contract terms outlined in item (iv) of  
11 subparagraph (L) of this paragraph (1).

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

1           amendatory Act of the 102nd General Assembly.  
2           Projects in this category shall be subject to the  
3           contract terms outlined in item (iii) of  
4           subsection (L) of this paragraph (1).

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

26          (v) Upon the effective date of this amendatory Act



1 of the 102nd General Assembly, for all competitive  
2 procurements and any procurements of renewable energy  
3 credit from new utility-scale wind and new  
4 utility-scale photovoltaic projects, the Agency shall  
5 procure indexed renewable energy credits and direct  
6 respondents to offer a strike price.

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

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

25 (3) To ensure funding in the annual budget  
26 established under subparagraph (E) for indexed

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

1 estimated annual cost of the contracts for indexed  
2 renewable energy credits. Forward curves shall be  
3 revised on an annual basis as updated forward  
4 price curves are released and filed with the  
5 Commission in the proceeding approving the  
6 Agency's most recent long-term renewable resources  
7 procurement plan. If the expected contract spend  
8 is higher or lower than the total quantity of  
9 contracts multiplied by the forward price curve  
10 value for that year, the forward price curve shall  
11 be updated by the procurement administrator, in  
12 consultation with the Agency, Commission staff,  
13 and procurement monitors, using then-currently  
14 available price forecast data and additional  
15 budget dollars shall be obligated or reobligated  
16 as appropriate.

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

1 (vi) All procurements under this subparagraph (G),  
2 including the procurement of renewable energy credits  
3 from hydropower facilities, shall comply with the  
4 geographic requirements in subparagraph (I) of this  
5 paragraph (1) and shall follow the procurement  
6 processes and procedures described in this Section and  
7 Section 16-111.5 of the Public Utilities Act to the  
8 extent practicable, and these processes and procedures  
9 may be expedited to accommodate the schedule  
10 established by this subparagraph (G). To ensure the  
11 successful development of new renewable energy  
12 projects supported through competitive procurements,  
13 for any procurements conducted under items (i), (ii),  
14 (iii), and (v) of this subparagraph (G) and any other  
15 procurement of new utility-scale wind or utility-scale  
16 solar projects that were entered into prior to January  
17 1, 2025, the Agency shall allow, upon a demonstration  
18 of need to ensure the commercial viability of a  
19 project, for a one-time, post-award renegotiation of  
20 select contract terms prior to the project's  
21 commercial operation date through bilateral  
22 negotiation between the Agency, the buyer, and a  
23 winning bidder. Contract terms subject to  
24 renegotiation may include the project map, as defined  
25 under the applicable competitive solicitation, the  
26 real estate footprint or any limitations thereof, the

1 location of the generators, or a potential reduction  
2 in the quantity of renewable energy credits to be  
3 delivered. Provisions related to a renewable energy  
4 credit delivery shortfall and the event of default may  
5 be replaced with similar provisions approved by the  
6 Agency in subsequent years or subsequent to a  
7 successful bid. Post-award renegotiation of  
8 competitively bid renewable energy credit contracts  
9 entered into prior to January 1, 2025 shall not be  
10 permitted to the extent such renegotiation would  
11 result in (1) the point of interconnection being  
12 within the service area of a different state, a  
13 different regional transmission organization zone, or  
14 a different regional transmission organization, (2)  
15 the generator no longer meeting the definition of the  
16 resource category for which the winning bidder was  
17 originally awarded a contract, (3) the generator no  
18 longer meeting the Agency's public interest criteria  
19 as established in the long-term renewable resources  
20 plan in effect at the time of the contract award, or  
21 (4) a change to material terms of the renewable energy  
22 credit contract unrelated to project land or footprint  
23 or the number of renewable energy credits to be  
24 delivered, including the applicable bid price or  
25 strike price. If the Agency, the buyer, and the  
26 winning bidder reach an agreement on amended terms,

1           then, upon petition by the winning bidder or current  
2           seller, the Commission shall issue an order directing  
3           the utility counterparty to execute an amendment  
4           drafted by the Agency with the revised terms to the  
5           renewable energy credit contract, the product order,  
6           or both. The Agency shall provide the amendment to the  
7           utility within 15 business days after the Commission's  
8           order, and the utility shall execute the amendment no  
9           more than 7 calendar days after delivery by the  
10           Agency.

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

25           (H) The procurement of renewable energy resources for  
26           a given delivery year shall be reduced as described in

1           this subparagraph (H) if an alternative retail electric  
2           supplier meets the requirements described in this  
3           subparagraph (H).

4                   (i) Within 45 days after June 1, 2017 (the  
5                   effective date of Public Act 99-906), an alternative  
6                   retail electric supplier or its successor shall submit  
7                   an informational filing to the Illinois Commerce  
8                   Commission certifying that, as of December 31, 2015,  
9                   the alternative retail electric supplier owned one or  
10                  more electric generating facilities that generates  
11                  renewable energy resources as defined in Section 1-10  
12                  of this Act, provided that such facilities are not  
13                  powered by wind or photovoltaics, and the facilities  
14                  generate one renewable energy credit for each  
15                  megawatthour of energy produced from the facility.

16                  The informational filing shall identify each  
17                  facility that was eligible to satisfy the alternative  
18                  retail electric supplier's obligations under Section  
19                  16-115D of the Public Utilities Act as described in  
20                  this item (i).

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

1           (iii) The alternative retail electric supplier  
2 shall notify the Agency and the applicable utility, no  
3 later than February 28 of the year preceding the  
4 applicable delivery year or 15 days after June 1, 2017  
5 (the effective date of Public Act 99-906), whichever  
6 is later, of its election under item (ii) of this  
7 subparagraph (H) to supply renewable energy credits to  
8 retail customers of the utility. Such election shall  
9 identify the amount of renewable energy credits to be  
10 supplied by the alternative retail electric supplier  
11 to the utility's retail customers and the source of  
12 the renewable energy credits identified in the  
13 informational filing as described in item (i) of this  
14 subparagraph (H), subject to the following  
15 limitations:

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

26           For delivery years beginning June 1, 2019 and



1           each year thereafter, the maximum amount of  
2           renewable energy credits to be supplied by an  
3           alternative retail electric supplier under this  
4           subparagraph (H) shall be 68% multiplied by 50%  
5           multiplied by 16% multiplied by the amount of  
6           metered electricity (megawatt-hours) delivered by  
7           the alternative retail electric supplier to  
8           Illinois retail customers during the delivery year  
9           ending May 31, 2016, provided that the 16% value  
10          shall increase by 1.5% each delivery year  
11          thereafter to 25% by the delivery year beginning  
12          June 1, 2025, and thereafter the 25% value shall  
13          apply to each delivery year.

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

1           If the requirements set forth in items (i) through  
2           (iii) of this subparagraph (H) are met, the charges  
3           that would otherwise be applicable to the retail  
4           customers of the alternative retail electric supplier  
5           under paragraph (6) of this subsection (c) for the  
6           applicable delivery year shall be reduced by the ratio  
7           of the quantity of renewable energy credits supplied  
8           by the alternative retail electric supplier compared  
9           to that supplier's target renewable energy credit  
10          quantity. The supplier's target renewable energy  
11          credit quantity for the delivery year beginning June  
12          1, 2018 is 14.5% multiplied by the total amount of  
13          metered electricity (megawatt-hours) delivered by the  
14          alternative retail supplier in that delivery year,  
15          provided that the 14.5% shall increase by 1.5% each  
16          delivery year thereafter to 25% by the delivery year  
17          beginning June 1, 2025, and thereafter the 25% value  
18          shall apply to each delivery year.

19           On or before April 1 of each year, the Agency shall  
20           annually publish a report on its website that  
21           identifies the aggregate amount of renewable energy  
22           credits supplied by alternative retail electric  
23           suppliers under this subparagraph (H).

24           (I) The Agency shall design its long-term renewable  
25           energy procurement plan to maximize the State's interest  
26           in the health, safety, and welfare of its residents,

1 including but not limited to minimizing sulfur dioxide,  
2 nitrogen oxide, particulate matter and other pollution  
3 that adversely affects public health in this State,  
4 increasing fuel and resource diversity in this State,  
5 enhancing the reliability and resiliency of the  
6 electricity distribution system in this State, meeting  
7 goals to limit carbon dioxide emissions under federal or  
8 State law, and contributing to a cleaner and healthier  
9 environment for the citizens of this State. In order to  
10 further these legislative purposes, renewable energy  
11 credits shall be eligible to be counted toward the  
12 renewable energy requirements of this subsection (c) if  
13 they are generated from facilities located in this State.  
14 The Agency may qualify renewable energy credits from  
15 facilities located in states adjacent to Illinois or  
16 renewable energy credits associated with the electricity  
17 generated by a utility-scale wind energy facility or  
18 utility-scale photovoltaic facility and transmitted by a  
19 qualifying direct current project described in subsection  
20 (b-5) of Section 8-406 of the Public Utilities Act to a  
21 delivery point on the electric transmission grid located  
22 in this State or a state adjacent to Illinois, if the  
23 generator demonstrates and the Agency determines that the  
24 operation of such facility or facilities will help promote  
25 the State's interest in the health, safety, and welfare of  
26 its residents based on the public interest criteria

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

21 (J) In order to promote the competitive development of  
22 renewable energy resources in furtherance of the State's  
23 interest in the health, safety, and welfare of its  
24 residents, renewable energy credits shall not be eligible  
25 to be counted toward the renewable energy requirements of  
26 this subsection (c) if they are sourced from a generating

1 unit whose costs were being recovered through rates  
2 regulated by this State or any other state or states on or  
3 after January 1, 2017. Each contract executed to purchase  
4 renewable energy credits under this subsection (c) shall  
5 provide for the contract's termination if the costs of the  
6 generating unit supplying the renewable energy credits  
7 subsequently begin to be recovered through rates regulated  
8 by this State or any other state or states; and each  
9 contract shall further provide that, in that event, the  
10 supplier of the credits must return 110% of all payments  
11 received under the contract. Amounts returned under the  
12 requirements of this subparagraph (J) shall be retained by  
13 the utility and all of these amounts shall be used for the  
14 procurement of additional renewable energy credits from  
15 new wind or new photovoltaic resources as defined in this  
16 subsection (c). The long-term plan shall provide that  
17 these renewable energy credits shall be procured in the  
18 next procurement event.

19 Notwithstanding the limitations of this subparagraph  
20 (J), renewable energy credits sourced from generating  
21 units that are constructed, purchased, owned, or leased by  
22 an electric utility as part of an approved project,  
23 program, or pilot under Section 1-56 of this Act shall be  
24 eligible to be counted toward the renewable energy  
25 requirements of this subsection (c), regardless of how the  
26 costs of these units are recovered. As long as a

1 generating unit or an identifiable portion of a generating  
2 unit has not had and does not have its costs recovered  
3 through rates regulated by this State or any other state,  
4 HVDC renewable energy credits associated with that  
5 generating unit or identifiable portion thereof shall be  
6 eligible to be counted toward the renewable energy  
7 requirements of this subsection (c).

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

25 The Adjustable Block program shall include for each  
26 category of eligible projects for each delivery year: a

1 single block of nameplate capacity, a price for renewable  
2 energy credits within that block, and the terms and  
3 conditions for securing a spot on a waitlist once the  
4 block is fully committed or reserved. Except as outlined  
5 below, the waitlist of projects in a given year will carry  
6 over to apply to the subsequent year when another block is  
7 opened. Only projects energized on or after June 1, 2017  
8 shall be eligible for the Adjustable Block program. For  
9 each category for each delivery year the Agency shall  
10 determine the amount of generation capacity in each block,  
11 and the purchase price for each block, provided that the  
12 purchase price provided and the total amount of generation  
13 in all blocks for all categories shall be sufficient to  
14 meet the goals in this subsection (c). The Agency shall  
15 strive to issue a single block sized to provide for  
16 stability and market growth. The Agency shall establish  
17 program eligibility requirements that ensure that projects  
18 that enter the program are sufficiently mature to indicate  
19 a demonstrable path to completion. The Agency may  
20 periodically review its prior decisions establishing the  
21 amount of generation capacity in each block, and the  
22 purchase price for each block, and may propose, on an  
23 expedited basis, changes to these previously set values,  
24 including but not limited to redistributing these amounts  
25 and the available funds as necessary and appropriate,  
26 subject to Commission approval as part of the periodic

1 plan revision process described in Section 16-111.5 of the  
2 Public Utilities Act. The Agency may define different  
3 block sizes, purchase prices, or other distinct terms and  
4 conditions for projects located in different utility  
5 service territories if the Agency deems it necessary to  
6 meet the goals in this subsection (c).

7 The Adjustable Block program shall include the  
8 following categories in at least the following amounts:

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

12 (ii) At least 20% from distributed renewable  
13 energy generation devices with a nameplate capacity of  
14 more than 25 kilowatts and no more than 5,000  
15 kilowatts. The Agency may create sub-categories within  
16 this category to account for the differences between  
17 projects for small commercial customers, large  
18 commercial customers, and public or non-profit  
19 customers. A project shall not be colocated with one  
20 or more other distributed renewable energy generation  
21 projects if the aggregate nameplate capacity of the  
22 projects exceeds 5,000 kilowatts AC. Notwithstanding  
23 any other provision of this Section, if 2 or more  
24 projects are developed, owned, or controlled by or  
25 originate from the same developer or an affiliated  
26 developer and the projects serve affiliated loads, the



1       projects shall be colocated if the projects are  
2       located on adjacent parcels. If 2 or more projects are  
3       developed, owned, or controlled by or originate from  
4       the same developer and the projects serve unaffiliated  
5       loads, the projects may be colocated if documentation  
6       indicates affiliated management and ownership in the  
7       pre-development, development, construction, and  
8       management of the projects and the projects are  
9       located on a single or adjacent parcels.  
10       Notwithstanding any subsequent transfer, assignment,  
11       or conveyance of ownership or development rights to  
12       separate legal entities, the Agency shall consider, in  
13       its determination of whether projects are affiliated,  
14       evidence that the projects were pre-developed by the  
15       same legal entity or an affiliated entity. If the  
16       Agency determines the projects are affiliated, the  
17       projects shall be treated as colocated for purposes of  
18       aggregate nameplate capacity limitations and renewable  
19       energy credit pricing adjustments. The Agency shall  
20       make exceptions on a case-by-case basis if it is  
21       demonstrated that projects on one parcel or projects  
22       on adjacent parcels are unaffiliated. For purposes of  
23       determining colocation, an approved vendor who submits  
24       an application for a distributed renewable energy  
25       generation project shall be required to submit an  
26       affidavit attesting that the project is not affiliated

1           with any other distributed renewable energy generation  
2           project such that, if the 2 projects were deemed  
3           colocated, the projects would exceed the 5,000  
4           kilowatts nameplate capacity limitation. The receipt  
5           of an affidavit shall not restrict the Agency's  
6           ability to investigate and determine whether the  
7           project is, in fact, colocated.

8           For purposes of this item (ii):

9           "Affiliate" has the meaning given to that term in  
10           subitem (3) of item (iii) of this subparagraph (K).

11           "Colocated" means 2 or more distributed renewable  
12           energy generation projects that are located on a  
13           single parcel, except for projects where the owner of  
14           the applicable retail electric account is confirmed to  
15           be unaffiliated and the projects serve distinct  
16           electrical loads.

17           "Control" has the meaning given to that term in  
18           subitem (3) of item (iii) of this subparagraph (K).

19           (iii) At least 30% from photovoltaic community  
20           renewable generation projects. Capacity for this  
21           category for the first 2 delivery years after the  
22           effective date of this amendatory Act of the 102nd  
23           General Assembly shall be allocated to waitlist  
24           projects as provided in paragraph (3) of item (iv) of  
25           subparagraph (G). Starting in the third delivery year  
26           after the effective date of this amendatory Act of the

1           102nd General Assembly or earlier if the Agency  
2 determines there is additional capacity needed for to  
3 meet previous delivery year requirements, the  
4 following shall apply:

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

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

13           (3) projects shall not be colocated with one  
14 or more other community renewable generation  
15 projects such that the aggregate nameplate  
16 capacity exceeds 5,000 kilowatts. The total  
17 nameplate capacity of colocated projects shall be  
18 the sum of the nameplate capacities of the  
19 individual projects. For purposes of this subitem  
20 (3), separate legal formation of approved vendors,  
21 owners, or developers shall not preclude a finding  
22 of affiliation by the Agency. Evidence of  
23 affiliation may include, but is not limited to,  
24 shared personnel, common contractual or financing  
25 arrangements, a shared interconnection agreement,  
26 distinct interconnection agreements obtained by

1           the same pre-development entity that are  
2           subsequently sold to distinct legal entities,  
3           familial relationships, or any demonstrable  
4           pattern of coordinated action in the  
5           pre-development, development, construction, or  
6           management of community renewable generation  
7           projects.

8           The Agency shall determine affiliation based  
9           on evidence that projects either (i) share a  
10           common origin on a parcel that has been subdivided  
11           in the 5 years before the date of application or  
12           (ii) were pre-developed before the beginning of  
13           construction by the same legal entity or an  
14           affiliated legal entity. The determination shall  
15           be made notwithstanding any subsequent transfer,  
16           assignment, or conveyance of ownership or  
17           development rights to separate legal entities. If  
18           the Agency determines the projects are affiliated,  
19           the projects shall be treated as colocated for the  
20           purposes of aggregate nameplate capacity  
21           limitations and renewable energy credit pricing  
22           adjustments. The Agency shall make exceptions to  
23           this subitem (3) on a case-by-case basis if it is  
24           demonstrated that projects on one parcel or  
25           projects on adjacent parcels are unaffiliated.

26           A parcel shall not be divided into multiple

1 parcels within the 5 years before the submission  
2 of a project application. If a parcel is divided  
3 within the preceding 5 years, a colocation  
4 determination shall be made based on the  
5 boundaries of the previous undivided parcel.

6 For purposes of determining colocation, an  
7 approved vendor who submits an application for a  
8 community renewable generation project shall be  
9 required to submit an affidavit attesting that (i)  
10 the parcel on which the project is sited has not  
11 been subdivided within the 5 years preceding the  
12 project application and (ii) the project is not  
13 affiliated with any other community renewable  
14 energy project in a manner that would cause the 2  
15 projects, if deemed colocated, to exceed the 5,000  
16 kilowatt nameplate capacity limitation. The  
17 receipt of an affidavit shall not restrict the  
18 Agency's ability to investigate and determine  
19 whether the project is colocated.

20 Multiple community solar projects sited on  
21 distinct structures located on a single parcel  
22 shall be considered colocated and must demonstrate  
23 that the projects are unaffiliated in order to not  
24 be considered colocated. Each colocated project  
25 shall receive the renewable energy credit price  
26 corresponding to the total, aggregated nameplate

1           capacity of the colocated systems, as determined  
2           at the time the second project's application is  
3           submitted to the Agency. If the second colocated  
4           project has been constructed and placed in service  
5           prior to application, and was placed in service  
6           more than 2 years after Commission approval of the  
7           original project, the colocation pricing  
8           adjustment shall not apply, and each project shall  
9           receive the standalone renewable energy credit  
10          price for its individual capacity.

11           For purposes of this subitem (3):

12           "Affiliate" means any other entity that,  
13           directly or indirectly through one or more  
14           intermediaries, is controlled by or is under  
15           common control of the primary entity or a third  
16           entity. "Affiliate" includes family members for  
17           the purposes of colocation between projects.  
18           "Affiliate" does not include entities that have  
19           shared sales or revenue-sharing arrangements or  
20           common debt and equity financing arrangements.

21           "Colocated" means 2 or more community  
22           renewable generation projects located on a single  
23           parcel or adjacent parcels, unless it is  
24           demonstrated that the projects are developed by  
25           unaffiliated entities.

26           "Control" means the possession, directly or

1           indirectly, of the power to direct the management  
2           and policies of an entity, ~~as defined in the~~  
3           ~~Agency's first revised long-term renewable~~  
4           ~~resources procurement plan approved by the~~  
5           ~~Commission on February 18, 2020, such that the~~  
6           ~~aggregate nameplate capacity exceeds 5,000~~  
7           ~~kilowatts; and~~

8           (4) projects greater than 2 MW may not apply  
9           until after the approval of the Agency's revised  
10          Long-Term Renewable Resources Procurement Plan  
11          after the effective date of this amendatory Act of  
12          the 102nd General Assembly.

13          (iv) At least 15% from distributed renewable  
14          generation devices or photovoltaic community renewable  
15          generation projects installed on public school land.  
16          The Agency may create subcategories within this  
17          category to account for the differences between  
18          project size or location. Projects located within  
19          environmental justice communities or within  
20          Organizational Units that fall within Tier 1 or Tier 2  
21          shall be given priority. Each of the Agency's periodic  
22          updates to its long-term renewable resources  
23          procurement plan to incorporate the procurement  
24          described in this subparagraph (iv) shall also include  
25          the proposed quantities or blocks, pricing, and  
26          contract terms applicable to the procurement as

1 indicated herein. In each such update and procurement,  
2 the Agency shall set the renewable energy credit price  
3 and establish payment terms for the renewable energy  
4 credits procured pursuant to this subparagraph (iv)  
5 that make it feasible and affordable for public  
6 schools to install photovoltaic distributed renewable  
7 energy devices on their premises, including, but not  
8 limited to, those public schools subject to the  
9 prioritization provisions of this subparagraph. For  
10 the purposes of this item (iv):

11 "Environmental Justice Community" shall have the  
12 same meaning set forth in the Agency's long-term  
13 renewable resources procurement plan;

14 "Organization Unit", "Tier 1" and "Tier 2" shall  
15 have the meanings set for in Section 18-8.15 of the  
16 School Code;

17 "Public schools" shall have the meaning set forth  
18 in Section 1-3 of the School Code and includes public  
19 institutions of higher education, as defined in the  
20 Board of Higher Education Act.

21 (v) At least 5% from community-driven community  
22 solar projects intended to provide more direct and  
23 tangible connection and benefits to the communities  
24 which they serve or in which they operate and,  
25 additionally, to increase the variety of community  
26 solar locations, models, and options in Illinois. As



1 part of its long-term renewable resources procurement  
2 plan, the Agency shall develop selection criteria for  
3 projects participating in this category. Nothing in  
4 this Section shall preclude the Agency from creating a  
5 selection process that maximizes community ownership  
6 and community benefits in selecting projects to  
7 receive renewable energy credits. Selection criteria  
8 shall include:

9 (1) community ownership or community  
10 wealth-building;

11 (2) additional direct and indirect community  
12 benefit, beyond project participation as a  
13 subscriber, including, but not limited to,  
14 economic, environmental, social, cultural, and  
15 physical benefits;

16 (3) meaningful involvement in project  
17 organization and development by community members  
18 or nonprofit organizations or public entities  
19 located in or serving the community;

20 (4) engagement in project operations and  
21 management by nonprofit organizations, public  
22 entities, or community members; and

23 (5) whether a project is developed in response  
24 to a site-specific RFP developed by community  
25 members or a nonprofit organization or public  
26 entity located in or serving the community.

1 Selection criteria may also prioritize projects  
2 that:

3 (1) are developed in collaboration with or to  
4 provide complementary opportunities for the Clean  
5 Jobs Workforce Network Program, the Illinois  
6 Climate Works Preapprenticeship Program, the  
7 Returning Residents Clean Jobs Training Program,  
8 the Clean Energy Contractor Incubator Program, or  
9 the Clean Energy Primes Contractor Accelerator  
10 Program;

11 (2) increase the diversity of locations of  
12 community solar projects in Illinois, including by  
13 locating in urban areas and population centers;

14 (3) are located in Equity Investment Eligible  
15 Communities;

16 (4) are not greenfield projects;

17 (5) serve only local subscribers;

18 (6) have a nameplate capacity that does not  
19 exceed 500 kW;

20 (7) are developed by an equity eligible  
21 contractor; or

22 (8) otherwise meaningfully advance the goals  
23 of providing more direct and tangible connection  
24 and benefits to the communities which they serve  
25 or in which they operate and increasing the  
26 variety of community solar locations, models, and

1 options in Illinois.

2 For the purposes of this item (v):

3 "Community" means a social unit in which people  
4 come together regularly to effect change; a social  
5 unit in which participants are marked by a cooperative  
6 spirit, a common purpose, or shared interests or  
7 characteristics; or a space understood by its  
8 residents to be delineated through geographic  
9 boundaries or landmarks.

10 "Community benefit" means a range of services and  
11 activities that provide affirmative, economic,  
12 environmental, social, cultural, or physical value to  
13 a community; or a mechanism that enables economic  
14 development, high-quality employment, and education  
15 opportunities for local workers and residents, or  
16 formal monitoring and oversight structures such that  
17 community members may ensure that those services and  
18 activities respond to local knowledge and needs.

19 "Community ownership" means an arrangement in  
20 which an electric generating facility is, or over time  
21 will be, in significant part, owned collectively by  
22 members of the community to which an electric  
23 generating facility provides benefits; members of that  
24 community participate in decisions regarding the  
25 governance, operation, maintenance, and upgrades of  
26 and to that facility; and members of that community

1 benefit from regular use of that facility.

2 Terms and guidance within these criteria that are  
3 not defined in this item (v) shall be defined by the  
4 Agency, with stakeholder input, during the development  
5 of the Agency's long-term renewable resources  
6 procurement plan. The Agency shall develop regular  
7 opportunities for projects to submit applications for  
8 projects under this category, and develop selection  
9 criteria that gives preference to projects that better  
10 meet individual criteria as well as projects that  
11 address a higher number of criteria.

12 (vi) At least 10% from distributed renewable  
13 energy generation devices, which includes distributed  
14 renewable energy devices with a nameplate capacity  
15 under 5,000 kilowatts or photovoltaic community  
16 renewable generation projects, from applicants that  
17 are equity eligible contractors. The Agency may create  
18 subcategories within this category to account for the  
19 differences between project size and type. The Agency  
20 shall propose to increase the percentage in this item  
21 (vi) over time to 40% based on factors, including, but  
22 not limited to, the number of equity eligible  
23 contractors and capacity used in this item (vi) in  
24 previous delivery years.

25 The Agency shall propose a payment structure for  
26 contracts executed pursuant to this paragraph under

1           which, upon a demonstration of qualification or need  
2           under criteria established by the Agency that is  
3           focused on supporting small and emerging businesses  
4           and businesses that most acutely face barriers to the  
5           access of capital, applicant firms are advanced  
6           capital disbursed after contract execution but before  
7           the contracted project's energization. The amount or  
8           percentage of capital advanced prior to project  
9           energization shall be sufficient to both cover any  
10          increase in development costs resulting from  
11          prevailing wage requirements or project-labor  
12          agreements, and designed to overcome barriers in  
13          access to capital faced by equity eligible  
14          contractors. The amount or percentage of advanced  
15          capital may vary by subcategory within this category  
16          and by an applicant's demonstration of need, with such  
17          levels to be established through the Long-Term  
18          Renewable Resources Procurement Plan authorized under  
19          subparagraph (A) of paragraph (1) of subsection (c) of  
20          this Section and any application requirements or  
21          evaluation criteria developed pursuant to the Plan.

22                 Contracts developed featuring capital advanced  
23                 prior to a project's energization shall feature  
24                 provisions to ensure both the successful development  
25                 of applicant projects and the delivery of the  
26                 renewable energy credits for the full term of the

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

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

20 (viii) The Agency, through its long-term renewable  
21 resources procurement plan, may implement solutions to  
22 maintain stable and consistent REC offerings allocated  
23 to systems described in item (i) of this subparagraph  
24 (K) to avoid gaps in availability during a delivery  
25 year, including, but not limited to, creating a  
26 floating block of REC capacity in a given delivery

1           year.

2           To the extent there is uncontracted capacity from any  
3 block in any of categories (i) through (vi) at the end of a  
4 delivery year, the Agency shall redistribute that capacity  
5 to one or more other categories giving priority to  
6 categories with projects on a waitlist. The redistributed  
7 capacity shall be added to the annual capacity in the  
8 subsequent delivery year, and the price for renewable  
9 energy credits shall be the price for the new delivery  
10 year. Redistributed capacity shall not be considered  
11 redistributed when determining whether the goals in this  
12 subsection (K) have been met.

13           Notwithstanding anything to the contrary, as the  
14 Agency increases the capacity in item (vi) to 40% over  
15 time, the Agency may reduce the capacity of items (i)  
16 through (v) proportionate to the capacity of the  
17 categories of projects in item (vi), to achieve a balance  
18 of project types.

19           The Adjustable Block program shall be designed to  
20 ensure that renewable energy credits are procured from  
21 projects in diverse locations and are not concentrated in  
22 a few regional areas.

23           (L) Notwithstanding provisions for advancing capital  
24 prior to project energization found in item (vi) of  
25 subparagraph (K), the procurement of photovoltaic  
26 renewable energy credits under items (i) through (vi) of

1           subparagraph (K) of this paragraph (1) shall otherwise be  
2           subject to the following contract and payment terms:

3                   (i) (Blank).

4                   (ii) Unless otherwise provided for in the Agency's  
5                   approved long-term plan, for ~~For~~ those renewable  
6                   energy credits that qualify and are procured under  
7                   item (i) of subparagraph (K) of this paragraph (1),  
8                   and any similar category projects that are procured  
9                   under item (vi) of subparagraph (K) of this paragraph  
10                  (1) that qualify and are procured under item (vi), the  
11                  contract length shall be 15 years. Beginning on the  
12                  effective date of this amendatory Act of the 104th  
13                  General Assembly, and including the remainder of  
14                  program year 2026-2027, 50% of the renewable energy  
15                  credit delivery contract value, based on the estimated  
16                  generation during the first 15 years of operation,  
17                  shall be paid ~~The renewable energy credit delivery~~  
18                  ~~contract value shall be paid in full, based on the~~  
19                  ~~estimated generation during the first 15 years of~~  
20                  ~~operation,~~ by the contracting utilities at the time  
21                  that the facility producing the renewable energy  
22                  credits is interconnected at the distribution system  
23                  level of the utility and verified as energized and  
24                  compliant by the Program Administrator. The remaining  
25                  portion of the renewable energy credit delivery  
26                  contract value shall be paid ratably over the



1           subsequent 6-year period. Relative to a contract  
2           structure under which the full renewable energy credit  
3           delivery contract value shall be paid in full at the  
4           time of interconnection and verification of  
5           energization, the Agency shall consider the impact of  
6           deferred payments across the subsequent payment period  
7           when establishing renewable energy credit prices. The  
8           electric utility shall receive and retire all  
9           renewable energy credits generated by the project for  
10          the first 15 years of operation. Renewable energy  
11          credits generated by the project thereafter shall not  
12          be transferred under the renewable energy credit  
13          delivery contract with the counterparty electric  
14          utility.

15           (iii) Unless otherwise provided for in the  
16           Agency's approved long-term plan, for ~~For~~ those  
17           renewable energy credits that qualify and are procured  
18           under item (ii) and (v) of subparagraph (K) of this  
19           paragraph (1) and any like projects ~~similar category~~  
20           that qualify and are procured under items (iv) and  
21           ~~item~~ (vi), the contract length shall be 15 years. 15%  
22           of the renewable energy credit delivery contract  
23           value, based on the estimated generation during the  
24           first 15 years of operation, shall be paid by the  
25           contracting utilities at the time that the facility  
26           producing the renewable energy credits is

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

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

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

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

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

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

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

26          (viii) Nothing in this Section shall require the

1 utility to advance any payment or pay any amounts that  
2 exceed the actual amount of revenues anticipated to be  
3 collected by the utility under paragraph (6) of this  
4 subsection (c) and subsection (k) of Section 16-108 of  
5 the Public Utilities Act inclusive of eligible funds  
6 collected in prior years and alternative compliance  
7 payments for use by the utility.

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

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

21 (M) The Agency shall be authorized to retain one or  
22 more experts or expert consulting firms to develop,  
23 administer, implement, operate, and evaluate the  
24 Adjustable Block program described in subparagraph (K) of  
25 this paragraph (1), and the Agency shall retain the  
26 consultant or consultants in the same manner, to the

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

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

22 In addition to covering the costs of program  
23 administration, the Agency, in conjunction with its  
24 Program Administrator, may also use the proceeds of such  
25 fees charged to participating firms to support public  
26 education and ongoing regional and national coordination

1 with nonprofit organizations, public bodies, and others  
2 engaged in the implementation of renewable energy  
3 incentive programs or similar initiatives. This work may  
4 include developing papers and reports, hosting regional  
5 and national conferences, and other work deemed necessary  
6 by the Agency to position the State of Illinois as a  
7 national leader in renewable energy incentive program  
8 development and administration.

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

1 changes.

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

16 (i) The Agency shall establish a registration  
17 process for entities seeking to qualify for  
18 program-administered incentive funding and establish  
19 baseline qualifications for vendor approval. The  
20 Agency shall also establish program requirements and  
21 minimum contract terms for vendors and others involved  
22 in the marketing, sale, installation, and financing of  
23 distributed generation systems and community solar  
24 subscriptions to prevent misleading marketing and  
25 abusive practices and to otherwise protect customers.

26 The Agency must maintain a list of approved entities



1 on each program's website, and may revoke a vendor's  
2 ability to receive program-administered incentive  
3 funding status upon a determination that the vendor  
4 failed to comply with contract terms, the law, or  
5 other program requirements.

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

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

26 (iv) The Agency shall establish one or multiple

1 Consumer Complaints Centers to accept complaints  
2 regarding businesses that participate in, or otherwise  
3 benefit from, State-administered incentive funding  
4 through Agency-administered programs. The Agency shall  
5 maintain a public database of complaints with any  
6 confidential or particularly sensitive information  
7 redacted from public entries.

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

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

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

1           appropriate.

2           (viii) The Agency shall establish a registration  
3 process for entities that provide financing for  
4 consumers for the purchase of distributed renewable  
5 generation devices. The Agency may establish baseline  
6 qualifications for financier approval, including  
7 defining the circumstances under which financing  
8 parties may be subject to registration. The Agency  
9 shall also establish program requirements for entities  
10 that provide financing for the purchase of distributed  
11 renewable generation devices, which may include  
12 marketing and disclosure requirements, other  
13 requirements as further defined by the Agency through  
14 its long-term plan, and any consumer protection  
15 requirements developed or modified thereto. The Agency  
16 shall maintain a list of approved financiers on each  
17 program's website and may revoke a financier's  
18 approval in a program upon a determination that the  
19 financier failed to comply with contract terms, the  
20 law, or other program requirements. The Agency may  
21 establish program requirements that prohibit  
22 distributed renewable generation devices intending to  
23 apply for program-administered incentive funding from  
24 receiving program funding the consumer's purchase if  
25 the device was financed by an entity whose approval  
26 status in the program has been revoked.

1           (ix) The Agency may propose that vendors, as part  
2           of the application and annual recertification process,  
3           present the Agency or its designee with a security  
4           bond equal to an amount determined to be reasonable by  
5           the Agency. The bond shall be for the benefit of  
6           customers harmed by the vendor's violation of Agency  
7           requirements or other applicable laws or regulations.  
8           The Agency may determine that it is reasonable to have  
9           no bond requirement for some categories of vendors or  
10           enhanced bond requirements for vendors that the Agency  
11           has deemed to pose more acute risks.

12           (x) For distributed renewable generation devices,  
13           the Agency may, in its discretion, establish  
14           provisions that restrict, prohibit, or create  
15           additional requirements for distributed renewable  
16           generation device sales or financing offers through  
17           which the customer is promised the pass-through of a  
18           portion or all of the payments received by the  
19           approved vendor for the delivery of renewable energy  
20           credits only after the receipt of such payment by the  
21           approved vendor. The requirements may include the use  
22           of an escrow process developed by the Agency through  
23           which renewable energy credit payments are made to an  
24           escrow agent who then disburses the promised amount to  
25           the customer and the remainder to the vendor. The  
26           requirements in this item (x) shall in no way prohibit

1           the upfront discounting of the purchase price, lease  
2           payment, or power purchase agreement rate based on the  
3           anticipated receipt of renewable energy credit  
4           contract payments by the approved vendor.

5           (xi) To the extent that distributed renewable  
6           generation device sales or financing offers through  
7           which the customer is promised the pass-through of a  
8           portion or all of the payments received by the vendor  
9           for the delivery of renewable energy credits after the  
10          receipt of such payment by the vendor are permitted,  
11          the following requirements shall apply in a time and  
12          manner determined by the Agency:

13                   (I) the vendor shall submit proof of customer  
14                   payments to the Agency as the Agency deems  
15                   necessary; and

16                   (II) the vendor shall represent and warrant on  
17                   a form developed by the Agency that the vendor is  
18                   not insolvent, has not voluntarily filed for  
19                   bankruptcy, and has not been subject to or  
20                   threatened with involuntary insolvency.

21           (xii) To ensure that customers receive full and  
22           uninterrupted benefits and services promised by  
23           vendors, the Agency may propose additional solutions  
24           through its long-term renewable resources procurement  
25           plan described in this subsection (c) and paragraph  
26           (5) of subsection (b) of Section 16-111.5 of the

1           Public Utilities Act. The solutions may allow for  
2           collections made pursuant to subsection (k) of Section  
3           16-108 of the Public Utilities Act to support the  
4           programs and procurements outlined in paragraph (1) of  
5           subsection (c) of this Section to be leveraged to (1)  
6           ensure that a vendor's promised payments are received  
7           by customers, (2) incentivize vendors to establish  
8           service agreements with customers whose original  
9           vendor has become nonresponsive, (3) ensure that  
10           customers receive restitution for financial harm  
11           proven to be caused by a program vendor or its  
12           designee, or (4) otherwise ensure that customers do  
13           not suffer loss or harm through activities supported  
14           by the Adjustable Block program and the Illinois Solar  
15           for All Program.

16           (N) The Agency shall establish the terms, conditions,  
17           and program requirements for photovoltaic community  
18           renewable generation projects with a goal to expand access  
19           to a broader group of energy consumers, to ensure robust  
20           participation opportunities for residential and small  
21           commercial customers and those who cannot install  
22           renewable energy on their own properties. Subject to  
23           reasonable limitations, any plan approved by the  
24           Commission shall allow subscriptions to community  
25           renewable generation projects to be portable and  
26           transferable. For purposes of this subparagraph (N),

1 "portable" means that subscriptions may be retained by the  
2 subscriber even if the subscriber relocates or changes its  
3 address within the same utility service territory; and  
4 "transferable" means that a subscriber may assign or sell  
5 subscriptions to another person within the same utility  
6 service territory.

7 Through the development of its long-term renewable  
8 resources procurement plan, the Agency may consider  
9 whether community renewable generation projects utilizing  
10 technologies other than photovoltaics should be supported  
11 through State-administered incentive funding, and may  
12 issue requests for information to gauge market demand.

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

18 The Agency shall purchase renewable energy credits  
19 from subscribed shares of photovoltaic community renewable  
20 generation projects through the Adjustable Block program  
21 described in subparagraph (K) of this paragraph (1) or  
22 through the Illinois Solar for All Program described in  
23 Section 1-56 of this Act. The electric utility shall  
24 purchase any unsubscribed energy from community renewable  
25 generation projects that are Qualifying Facilities ("QF")  
26 under the electric utility's tariff for purchasing the

1 output from QFs under Public Utilities Regulatory Policies  
2 Act of 1978.

3 The owners of and any subscribers to a community  
4 renewable generation project shall not be considered  
5 public utilities or alternative retail electricity  
6 suppliers under the Public Utilities Act solely as a  
7 result of their interest in or subscription to a community  
8 renewable generation project and shall not be required to  
9 become an alternative retail electric supplier by  
10 participating in a community renewable generation project  
11 with a public utility.

12 (O) For the delivery year beginning June 1, 2018, the  
13 long-term renewable resources procurement plan required by  
14 this subsection (c) shall provide for the Agency to  
15 procure contracts to continue offering the Illinois Solar  
16 for All Program described in subsection (b) of Section  
17 1-56 of this Act, and the contracts approved by the  
18 Commission shall be executed by the utilities that are  
19 subject to this subsection (c). The long-term renewable  
20 resources procurement plan shall allocate up to  
21 \$50,000,000 per delivery year to fund the programs, and  
22 the plan shall determine the amount of funding to be  
23 apportioned to the programs identified in subsection (b)  
24 of Section 1-56 of this Act; provided that for the  
25 delivery years beginning June 1, 2021, June 1, 2022, and  
26 June 1, 2023, the long-term renewable resources



1 procurement plan may average the annual budgets over a  
2 3-year period to account for program ramp-up. For the  
3 delivery years beginning June 1, 2021, June 1, 2024, June  
4 1, 2027, and June 1, 2030 and additional \$10,000,000 shall  
5 be provided to the Department of Commerce and Economic  
6 Opportunity to implement the workforce development  
7 programs and reporting as outlined in Section 16-108.12 of  
8 the Public Utilities Act. In making the determinations  
9 required under this subparagraph (O), the Commission shall  
10 consider the experience and performance under the programs  
11 and any evaluation reports. The Commission shall also  
12 provide for an independent evaluation of those programs on  
13 a periodic basis that are funded under this subparagraph  
14 (O).

15 (P) All programs and procurements under this  
16 subsection (c) shall be designed to encourage  
17 participating projects to use a diverse and equitable  
18 workforce and a diverse set of contractors, including  
19 minority-owned businesses, disadvantaged businesses,  
20 trade unions, graduates of any workforce training programs  
21 administered under this Act, and small businesses.

22 The Agency shall develop a method to optimize  
23 procurement of renewable energy credits from proposed  
24 utility-scale projects that are located in communities  
25 eligible to receive Energy Transition Community Grants  
26 pursuant to Section 10-20 of the Energy Community

1 Reinvestment Act. If this requirement conflicts with other  
2 provisions of law or the Agency determines that full  
3 compliance with the requirements of this subparagraph (P)  
4 would be unreasonably costly or administratively  
5 impractical, the Agency is to propose alternative  
6 approaches to achieve development of renewable energy  
7 resources in communities eligible to receive Energy  
8 Transition Community Grants pursuant to Section 10-20 of  
9 the Energy Community Reinvestment Act or seek an exemption  
10 from this requirement from the Commission.

11 (Q) Each facility listed in subitems (i) through (ix)  
12 of item (1) of this subparagraph (Q) for which a renewable  
13 energy credit delivery contract is signed after the  
14 effective date of this amendatory Act of the 102nd General  
15 Assembly is subject to the following requirements through  
16 the Agency's long-term renewable resources procurement  
17 plan:

18 (1) Each facility shall be subject to the  
19 prevailing wage requirements included in the  
20 Prevailing Wage Act. The Agency shall require  
21 verification that all construction performed on the  
22 facility by the renewable energy credit delivery  
23 contract holder, its contractors, or its  
24 subcontractors relating to construction of the  
25 facility is performed by construction employees  
26 receiving an amount for that work equal to or greater

1 than the general prevailing rate, as that term is  
2 defined in Section 2 ~~3~~ of the Prevailing Wage Act. For  
3 purposes of this item (1), "house of worship" means  
4 property that is both (1) used exclusively by a  
5 religious society or body of persons as a place for  
6 religious exercise or religious worship and (2)  
7 recognized as exempt from taxation pursuant to Section  
8 15-40 of the Property Tax Code. This item (1) shall  
9 apply to any the following:

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

11 (ii) all new utility-scale photovoltaic  
12 projects and repowered wind projects;

13 (iii) all new brownfield photovoltaic  
14 projects;

15 (iv) all new photovoltaic community renewable  
16 energy facilities that qualify for item (iii) of  
17 subparagraph (K) of this paragraph (1);

18 (v) all new community driven community  
19 photovoltaic projects that qualify for item (v) of  
20 subparagraph (K) of this paragraph (1);

21 (vi) all new photovoltaic projects on public  
22 school land that qualify for item (iv) of  
23 subparagraph (K) of this paragraph (1);

24 (vii) all new photovoltaic distributed  
25 renewable energy generation devices that (1)  
26 qualify for item (i) of subparagraph (K) of this

1 paragraph (1); (2) are not projects that serve  
2 single-family or multi-family residential  
3 buildings; and (3) are not houses of worship where  
4 the aggregate capacity including colocated  
5 ~~collocated~~ projects would not exceed 100  
6 kilowatts;

7 (viii) all new photovoltaic distributed  
8 renewable energy generation devices that (1)  
9 qualify for item (ii) of subparagraph (K) of this  
10 paragraph (1); (2) are not projects that serve  
11 single-family or multi-family residential  
12 buildings; and (3) are not houses of worship where  
13 the aggregate capacity including colocated  
14 ~~collocated~~ projects would not exceed 100  
15 kilowatts;

16 (ix) all new, modernized, or retooled  
17 hydropower facilities.

18 (2) Renewable energy credits procured from new  
19 utility-scale wind projects, new utility-scale solar  
20 projects, new brownfield solar projects, repowered  
21 wind projects, and retooled hydropower facilities  
22 pursuant to Agency procurement events occurring after  
23 the effective date of this amendatory Act of the 102nd  
24 General Assembly must be from facilities built by  
25 general contractors that must enter into a project  
26 labor agreement, as defined by this Act, prior to

1 construction. The project labor agreement shall be  
2 filed with the Director in accordance with procedures  
3 established by the Agency through its long-term  
4 renewable resources procurement plan. Any information  
5 submitted to the Agency in this item (2) shall be  
6 considered commercially sensitive information. At a  
7 minimum, the project labor agreement must provide the  
8 names, addresses, and occupations of the owner of the  
9 plant and the individuals representing the labor  
10 organization employees participating in the project  
11 labor agreement consistent with the Project Labor  
12 Agreements Act. The agreement must also specify the  
13 terms and conditions as defined by this Act.

14 (2.5) Energy storage credits procured from battery  
15 storage projects pursuant to Agency procurement events  
16 and additional energy storage resources procured in  
17 accordance with subparagraph (B) of paragraph (3) of  
18 subsection (d-20) of this Section pursuant to Agency  
19 procurement events occurring after the effective date  
20 of this amendatory Act of the 104th General Assembly  
21 must be from facilities built by general contractors  
22 that must enter into a project labor agreement prior  
23 to construction. The project labor agreement shall be  
24 filed with the Director in accordance with procedures  
25 established by the Agency through its long-term  
26 renewable resources procurement plan. Any information

1           submitted to the Agency pursuant to this item (2.5)  
2           shall be considered commercially sensitive  
3           information. At a minimum, the project labor agreement  
4           must provide the names, addresses, and occupations of  
5           the owner of the plant and the individuals  
6           representing the labor organization employees  
7           participating in the project labor agreement  
8           consistent with the Project Labor Agreements Act. The  
9           agreement must also specify the terms and conditions,  
10          as defined by this Act.

11           (3) It is the intent of this Section to ensure that  
12          economic development occurs across Illinois  
13          communities, that emerging businesses may grow, and  
14          that there is improved access to the clean energy  
15          economy by persons who have greater economic burdens  
16          to success. The Agency shall take into consideration  
17          the unique cost of compliance of this subparagraph (Q)  
18          that might be borne by equity eligible contractors,  
19          shall include such costs when determining the price of  
20          renewable energy credits in the Adjustable Block  
21          program, and shall take such costs into consideration  
22          in a nondiscriminatory manner when comparing bids for  
23          competitive procurements. The Agency shall consider  
24          costs associated with compliance whether in the  
25          development, financing, or construction of projects.  
26          The Agency shall periodically review the assumptions

1           in these costs and may adjust prices, in compliance  
2           with subparagraph (M) of this paragraph (1).

3           (R) In its long-term renewable resources procurement  
4           plan, the Agency shall establish a self-direct renewable  
5           portfolio standard compliance program for eligible  
6           self-direct customers that purchase renewable energy  
7           credits from utility-scale wind and solar projects through  
8           long-term agreements for purchase of renewable energy  
9           credits as described in this Section. Such long-term  
10          agreements may include the purchase of energy or other  
11          products on a physical or financial basis and may involve  
12          an alternative retail electric supplier as defined in  
13          Section 16-102 of the Public Utilities Act. This program  
14          shall take effect in the delivery year commencing June 1,  
15          2023.

16                   (1) For the purposes of this subparagraph:

17                   "Eligible self-direct customer" means any retail  
18                   customers of an electric utility that serves 3,000,000  
19                   or more retail customers in the State and whose total  
20                   highest 30-minute demand was more than 10,000  
21                   kilowatts, or any retail customers of an electric  
22                   utility that serves less than 3,000,000 retail  
23                   customers but more than 500,000 retail customers in  
24                   the State and whose total highest 15-minute demand was  
25                   more than 10,000 kilowatts.

26                   "Retail customer" has the meaning set forth in

1 Section 16-102 of the Public Utilities Act and  
2 multiple retail customer accounts under the same  
3 corporate parent may aggregate their account demands  
4 to meet the 10,000 kilowatt threshold. The criteria  
5 for determining whether this subparagraph is  
6 applicable to a retail customer shall be based on the  
7 12 consecutive billing periods prior to the start of  
8 the year in which the application is filed.

9 (2) For renewable energy credits to count toward  
10 the self-direct renewable portfolio standard  
11 compliance program, they must:

12 (i) qualify as renewable energy credits as  
13 defined in Section 1-10 of this Act;

14 (ii) be sourced from one or more renewable  
15 energy generating facilities that comply with the  
16 geographic requirements as set forth in  
17 subparagraph (I) of paragraph (1) of subsection  
18 (c) as interpreted through the Agency's long-term  
19 renewable resources procurement plan, or, where  
20 applicable, the geographic requirements that  
21 governed utility-scale renewable energy credits at  
22 the time the eligible self-direct customer entered  
23 into the applicable renewable energy credit  
24 purchase agreement;

25 (iii) be procured through long-term contracts  
26 with term lengths of at least 10 years either



1 directly with the renewable energy generating  
2 facility or through a bundled power purchase  
3 agreement, a virtual power purchase agreement, an  
4 agreement between the renewable generating  
5 facility, an alternative retail electric supplier,  
6 and the customer, or such other structure as is  
7 permissible under this subparagraph (R);

8 (iv) be equivalent in volume to at least 40%  
9 of the eligible self-direct customer's usage,  
10 determined annually by the eligible self-direct  
11 customer's usage during the previous delivery  
12 year, measured to the nearest megawatt-hour;

13 (v) be retired by or on behalf of the large  
14 energy customer;

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

17 (vii) if the contracts for renewable energy  
18 credits are entered into after the effective date  
19 of this amendatory Act of the 102nd General  
20 Assembly, the new utility-scale wind projects or  
21 new utility-scale solar projects must comply with  
22 the requirements established in subparagraphs (P)  
23 and (Q) of paragraph (1) of this subsection (c)  
24 and subsection (c-10).

25 (3) The self-direct renewable portfolio standard  
26 compliance program shall be designed to allow eligible

1 self-direct customers to procure new renewable energy  
2 credits from new utility-scale wind projects or new  
3 utility-scale photovoltaic projects. The Agency shall  
4 annually determine the amount of utility-scale  
5 renewable energy credits it will include each year  
6 from the self-direct renewable portfolio standard  
7 compliance program, subject to receiving qualifying  
8 applications. In making this determination, the Agency  
9 shall evaluate publicly available analyses and studies  
10 of the potential market size for utility-scale  
11 renewable energy long-term purchase agreements by  
12 commercial and industrial energy customers and make  
13 that report publicly available. If demand for  
14 participation in the self-direct renewable portfolio  
15 standard compliance program exceeds availability, the  
16 Agency shall ensure participation is evenly split  
17 between commercial and industrial users to the extent  
18 there is sufficient demand from both customer classes.  
19 Each renewable energy credit procured pursuant to this  
20 subparagraph (R) by a self-direct customer shall  
21 reduce the total volume of renewable energy credits  
22 the Agency is otherwise required to procure from new  
23 utility-scale projects pursuant to subparagraph (C) of  
24 paragraph (1) of this subsection (c) on behalf of  
25 contracting utilities where the eligible self-direct  
26 customer is located. The self-direct customer shall

1 file an annual compliance report with the Agency  
2 pursuant to terms established by the Agency through  
3 its long-term renewable resources procurement plan to  
4 be eligible for participation in this program.  
5 Customers must provide the Agency with their most  
6 recent electricity billing statements or other  
7 information deemed necessary by the Agency to  
8 demonstrate they are an eligible self-direct customer.

9 (4) The Commission shall approve a reduction in  
10 the volumetric charges collected pursuant to Section  
11 16-108 of the Public Utilities Act for approved  
12 eligible self-direct customers equivalent to the  
13 anticipated cost of renewable energy credit deliveries  
14 under contracts for new utility-scale wind and new  
15 utility-scale solar entered for each delivery year  
16 after the large energy customer begins retiring  
17 eligible new utility-scale ~~utility-scale~~ renewable  
18 energy credits for self-compliance. The self-direct  
19 credit amount shall be determined annually and is  
20 equal to the estimated portion of the cost authorized  
21 by subparagraph (E) of paragraph (1) of this  
22 subsection (c) that supported the annual procurement  
23 of utility-scale renewable energy credits in the prior  
24 delivery year using a methodology described in the  
25 long-term renewable resources procurement plan,  
26 expressed on a per kilowatthour basis, and does not

1 include (i) costs associated with any contracts  
2 entered into before the delivery year in which the  
3 customer files the initial compliance report to be  
4 eligible for participation in the self-direct program,  
5 and (ii) costs associated with procuring renewable  
6 energy credits through existing and future contracts  
7 through the Adjustable Block Program, subsection (c-5)  
8 of this Section 1-75, and the Solar for All Program.  
9 The Agency shall assist the Commission in determining  
10 the current and future costs. The Agency must  
11 determine the self-direct credit amount for new and  
12 existing eligible self-direct customers and submit  
13 this to the Commission in an annual compliance filing.  
14 The Commission must approve the self-direct credit  
15 amount by June 1, 2023 and June 1 of each delivery year  
16 thereafter.

17 (5) Customers described in this subparagraph (R)  
18 shall apply, on a form developed by the Agency, to the  
19 Agency to be designated as a self-direct eligible  
20 customer. Once the Agency determines that a  
21 self-direct customer is eligible for participation in  
22 the program, the self-direct customer will remain  
23 eligible until the end of the term of the contract.  
24 Thereafter, application may be made not less than 12  
25 months before the filing date of the long-term  
26 renewable resources procurement plan described in this

1 Act. At a minimum, such application shall contain the  
2 following:

3 (i) the customer's certification that, at the  
4 time of the customer's application, the customer  
5 qualifies to be a self-direct eligible customer,  
6 including documents demonstrating that  
7 qualification;

8 (ii) the customer's certification that the  
9 customer has entered into or will enter into by  
10 the beginning of the applicable procurement year,  
11 one or more bilateral contracts for new wind  
12 projects or new photovoltaic projects, including  
13 supporting documentation;

14 (iii) certification that the contract or  
15 contracts for new renewable energy resources are  
16 long-term contracts with term lengths of at least  
17 10 years, including supporting documentation;

18 (iv) certification of the quantities of  
19 renewable energy credits that the customer will  
20 purchase each year under such contract or  
21 contracts, including supporting documentation;

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

1                   (vi) certification that the customer intends  
2                   to maintain the contract for the duration of the  
3                   length of the contract.

4                   (6) If a customer receives the self-direct credit  
5                   but fails to properly procure and retire renewable  
6                   energy credits as required under this subparagraph  
7                   (R), the Commission, on petition from the Agency and  
8                   after notice and hearing, may direct such customer's  
9                   utility to recover the cost of the wrongfully received  
10                  self-direct credits plus interest through an adder to  
11                  charges assessed pursuant to Section 16-108 of the  
12                  Public Utilities Act. Self-direct customers who  
13                  knowingly fail to properly procure and retire  
14                  renewable energy credits and do not notify the Agency  
15                  are ineligible for continued participation in the  
16                  self-direct renewable portfolio standard compliance  
17                  program.

18                  (2) (Blank).

19                  (3) (Blank).

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

22                  (5) Beginning with the 2010 delivery year and ending  
23                  June 1, 2017, an electric utility subject to this  
24                  subsection (c) shall apply the lesser of the maximum  
25                  alternative compliance payment rate or the most recent  
26                  estimated alternative compliance payment rate for its

1 service territory for the corresponding compliance period,  
2 established pursuant to subsection (d) of Section 16-115D  
3 of the Public Utilities Act to its retail customers that  
4 take service pursuant to the electric utility's hourly  
5 pricing tariff or tariffs. The electric utility shall  
6 retain all amounts collected as a result of the  
7 application of the alternative compliance payment rate or  
8 rates to such customers, and, beginning in 2011, the  
9 utility shall include in the information provided under  
10 item (1) of subsection (d) of Section 16-111.5 of the  
11 Public Utilities Act the amounts collected under the  
12 alternative compliance payment rate or rates for the prior  
13 year ending May 31. Notwithstanding any limitation on the  
14 procurement of renewable energy resources imposed by item  
15 (2) of this subsection (c), the Agency shall increase its  
16 spending on the purchase of renewable energy resources to  
17 be procured by the electric utility for the next plan year  
18 by an amount equal to the amounts collected by the utility  
19 under the alternative compliance payment rate or rates in  
20 the prior year ending May 31.

21 (6) The electric utility shall be entitled to recover  
22 all of its costs associated with the procurement of  
23 renewable energy credits under plans approved under this  
24 Section and Section 16-111.5 of the Public Utilities Act.  
25 These costs shall include associated reasonable expenses  
26 for implementing the procurement programs, including, but

1 not limited to, the costs of administering and evaluating  
2 the Adjustable Block program, through an automatic  
3 adjustment clause tariff in accordance with subsection (k)  
4 of Section 16-108 of the Public Utilities Act.

5 (7) Renewable energy credits procured from new  
6 photovoltaic projects or new distributed renewable energy  
7 generation devices under this Section after June 1, 2017  
8 (the effective date of Public Act 99-906) must be procured  
9 from devices installed by a qualified person in compliance  
10 with the requirements of Section 16-128A of the Public  
11 Utilities Act and any rules or regulations adopted  
12 thereunder.

13 In meeting the renewable energy requirements of this  
14 subsection (c), to the extent feasible and consistent with  
15 State and federal law, the renewable energy credit  
16 procurements, Adjustable Block solar program, and  
17 community renewable generation program shall provide  
18 employment opportunities for all segments of the  
19 population and workforce, including minority-owned and  
20 female-owned business enterprises, and shall not,  
21 consistent with State and federal law, discriminate based  
22 on race or socioeconomic status.

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



1           (1) In addition to the procurement of renewable energy  
2 credits pursuant to long-term renewable resources  
3 procurement plans in accordance with subsection (c) of  
4 this Section and Section 16-111.5 of the Public Utilities  
5 Act, the Agency shall conduct procurement events in  
6 accordance with this subsection (c-5) for the procurement  
7 by electric utilities that served more than 300,000 retail  
8 customers in this State as of January 1, 2019 of renewable  
9 energy credits from new renewable energy facilities to be  
10 installed at or adjacent to the sites of electric  
11 generating facilities that, as of January 1, 2016, burned  
12 coal as their primary fuel source and meet the other  
13 criteria specified in this subsection (c-5). For purposes  
14 of this subsection (c-5), "new renewable energy facility"  
15 means a new utility-scale solar project as defined in this  
16 Section 1-75. The renewable energy credits procured  
17 pursuant to this subsection (c-5) may be included or  
18 counted for purposes of compliance with the amounts of  
19 renewable energy credits required to be procured pursuant  
20 to subsection (c) of this Section to the extent that there  
21 are otherwise shortfalls in compliance with such  
22 requirements. The procurement of renewable energy credits  
23 by electric utilities pursuant to this subsection (c-5)  
24 shall be funded solely by revenues collected from the Coal  
25 to Solar and Energy Storage Initiative Charge provided for  
26 in this subsection (c-5) and subsection (i-5) of Section

1 16-108 of the Public Utilities Act, shall not be funded by  
2 revenues collected through any of the other funding  
3 mechanisms provided for in subsection (c) of this Section,  
4 and shall not be subject to the limitation imposed by  
5 subsection (c) on charges to retail customers for costs to  
6 procure renewable energy resources pursuant to subsection  
7 (c), and shall not be subject to any other requirements or  
8 limitations of subsection (c).

9 (2) The Agency shall conduct 2 procurement events to  
10 select owners of electric generating facilities meeting  
11 the eligibility criteria specified in this subsection  
12 (c-5) to enter into long-term contracts to sell renewable  
13 energy credits to electric utilities serving more than  
14 300,000 retail customers in this State as of January 1,  
15 2019. The first procurement event shall be conducted no  
16 later than March 31, 2022, unless the Agency elects to  
17 delay it, until no later than May 1, 2022, due to its  
18 overall volume of work, and shall be to select owners of  
19 electric generating facilities located in this State and  
20 south of federal Interstate Highway 80 that meet the  
21 eligibility criteria specified in this subsection (c-5).  
22 The second procurement event shall be conducted no sooner  
23 than September 30, 2022 and no later than October 31, 2022  
24 and shall be to select owners of electric generating  
25 facilities located anywhere in this State that meet the  
26 eligibility criteria specified in this subsection (c-5).

1 The Agency shall establish and announce a time period,  
2 which shall begin no later than 30 days prior to the  
3 scheduled date for the procurement event, during which  
4 applicants may submit applications to be selected as  
5 suppliers of renewable energy credits pursuant to this  
6 subsection (c-5). The eligibility criteria for selection  
7 as a supplier of renewable energy credits pursuant to this  
8 subsection (c-5) shall be as follows:

9 (A) The applicant owns an electric generating  
10 facility located in this State that: (i) as of January  
11 1, 2016, burned coal as its primary fuel to generate  
12 electricity; and (ii) has, or had prior to retirement,  
13 an electric generating capacity of at least 150  
14 megawatts. The electric generating facility can be  
15 either: (i) retired as of the date of the procurement  
16 event; or (ii) still operating as of the date of the  
17 procurement event.

18 (B) The applicant is not (i) an electric  
19 cooperative as defined in Section 3-119 of the Public  
20 Utilities Act, or (ii) an entity described in  
21 subsection (b)(1) of Section 3-105 of the Public  
22 Utilities Act, or an association or consortium of or  
23 an entity owned by entities described in (i) or (ii);  
24 and the coal-fueled electric generating facility was  
25 at one time owned, in whole or in part, by a public  
26 utility as defined in Section 3-105 of the Public

1 Utilities Act.

2 (C) If participating in the first procurement  
3 event, the applicant proposes and commits to construct  
4 and operate, at the site, and if necessary for  
5 sufficient space on property adjacent to the existing  
6 property, at which the electric generating facility  
7 identified in paragraph (A) is located: (i) a new  
8 renewable energy facility of at least 20 megawatts but  
9 no more than 100 megawatts of electric generating  
10 capacity, and (ii) an energy storage facility having a  
11 storage capacity equal to at least 2 megawatts and at  
12 most 10 megawatts. If participating in the second  
13 procurement event, the applicant proposes and commits  
14 to construct and operate, at the site, and if  
15 necessary for sufficient space on property adjacent to  
16 the existing property, at which the electric  
17 generating facility identified in paragraph (A) is  
18 located: (i) a new renewable energy facility of at  
19 least 5 megawatts but no more than 20 megawatts of  
20 electric generating capacity, and (ii) an energy  
21 storage facility having a storage capacity equal to at  
22 least 0.5 megawatts and at most one megawatt.

23 (D) The applicant agrees that the new renewable  
24 energy facility and the energy storage facility will  
25 be constructed or installed by a qualified entity or  
26 entities in compliance with the requirements of

1 subsection (g) of Section 16-128A of the Public  
2 Utilities Act and any rules adopted thereunder.

3 (E) The applicant agrees that personnel operating  
4 the new renewable energy facility and the energy  
5 storage facility will have the requisite skills,  
6 knowledge, training, experience, and competence, which  
7 may be demonstrated by completion or current  
8 participation and ultimate completion by employees of  
9 an accredited or otherwise recognized apprenticeship  
10 program for the employee's particular craft, trade, or  
11 skill, including through training and education  
12 courses and opportunities offered by the owner to  
13 employees of the coal-fueled electric generating  
14 facility or by previous employment experience  
15 performing the employee's particular work skill or  
16 function.

17 (F) The applicant commits that not less than the  
18 prevailing wage, as determined pursuant to the  
19 Prevailing Wage Act, will be paid to the applicant's  
20 employees engaged in construction activities  
21 associated with the new renewable energy facility and  
22 the new energy storage facility and to the employees  
23 of applicant's contractors engaged in construction  
24 activities associated with the new renewable energy  
25 facility and the new energy storage facility, and  
26 that, on or before the commercial operation date of

1 the new renewable energy facility, the applicant shall  
2 file a report with the Agency certifying that the  
3 requirements of this subparagraph (F) have been met.

4 (G) The applicant commits that if selected, it  
5 will negotiate a project labor agreement for the  
6 construction of the new renewable energy facility and  
7 associated energy storage facility that includes  
8 provisions requiring the parties to the agreement to  
9 work together to establish diversity threshold  
10 requirements and to ensure best efforts to meet  
11 diversity targets, improve diversity at the applicable  
12 job site, create diverse apprenticeship opportunities,  
13 and create opportunities to employ former coal-fired  
14 power plant workers.

15 (H) The applicant commits to enter into a contract  
16 or contracts for the applicable duration to provide  
17 specified numbers of renewable energy credits each  
18 year from the new renewable energy facility to  
19 electric utilities that served more than 300,000  
20 retail customers in this State as of January 1, 2019,  
21 at a price of \$30 per renewable energy credit. The  
22 price per renewable energy credit shall be fixed at  
23 \$30 for the applicable duration and the renewable  
24 energy credits shall not be indexed renewable energy  
25 credits as provided for in item (v) of subparagraph  
26 (G) of paragraph (1) of subsection (c) of Section 1-75

1 of this Act. The applicable duration of each contract  
2 shall be 20 years, unless the applicant is physically  
3 interconnected to the PJM Interconnection, LLC  
4 transmission grid and had a generating capacity of at  
5 least 1,200 megawatts as of January 1, 2021, in which  
6 case the applicable duration of the contract shall be  
7 15 years.

8 (I) The applicant's application is certified by an  
9 officer of the applicant and by an officer of the  
10 applicant's ultimate parent company, if any.

11 (3) An applicant may submit applications to contract  
12 to supply renewable energy credits from more than one new  
13 renewable energy facility to be constructed at or adjacent  
14 to one or more qualifying electric generating facilities  
15 owned by the applicant. The Agency may select new  
16 renewable energy facilities to be located at or adjacent  
17 to the sites of more than one qualifying electric  
18 generation facility owned by an applicant to contract with  
19 electric utilities to supply renewable energy credits from  
20 such facilities.

21 (4) The Agency shall assess fees to each applicant to  
22 recover the Agency's costs incurred in receiving and  
23 evaluating applications, conducting the procurement event,  
24 developing contracts for sale, delivery and purchase of  
25 renewable energy credits, and monitoring the  
26 administration of such contracts, as provided for in this

1 subsection (c-5), including fees paid to a procurement  
2 administrator retained by the Agency for one or more of  
3 these purposes.

4 (5) The Agency shall select the applicants and the new  
5 renewable energy facilities to contract with electric  
6 utilities to supply renewable energy credits in accordance  
7 with this subsection (c-5). In the first procurement  
8 event, the Agency shall select applicants and new  
9 renewable energy facilities to supply renewable energy  
10 credits, at a price of \$30 per renewable energy credit,  
11 aggregating to no less than 400,000 renewable energy  
12 credits per year for the applicable duration, assuming  
13 sufficient qualifying applications to supply, in the  
14 aggregate, at least that amount of renewable energy  
15 credits per year; and not more than 580,000 renewable  
16 energy credits per year for the applicable duration. In  
17 the second procurement event, the Agency shall select  
18 applicants and new renewable energy facilities to supply  
19 renewable energy credits, at a price of \$30 per renewable  
20 energy credit, aggregating to no more than 625,000  
21 renewable energy credits per year less the amount of  
22 renewable energy credits each year contracted for as a  
23 result of the first procurement event, for the applicable  
24 durations. The number of renewable energy credits to be  
25 procured as specified in this paragraph (5) shall not be  
26 reduced based on renewable energy credits procured in the



1 self-direct renewable energy credit compliance program  
2 established pursuant to subparagraph (R) of paragraph (1)  
3 of subsection (c) of Section 1-75.

4 (6) The obligation to purchase renewable energy  
5 credits from the applicants and their new renewable energy  
6 facilities selected by the Agency shall be allocated to  
7 the electric utilities based on their respective  
8 percentages of kilowatthours delivered to delivery  
9 services customers to the aggregate kilowatthour  
10 deliveries by the electric utilities to delivery services  
11 customers for the year ended December 31, 2021. In order  
12 to achieve these allocation percentages between or among  
13 the electric utilities, the Agency shall require each  
14 applicant that is selected in the procurement event to  
15 enter into a contract with each electric utility for the  
16 sale and purchase of renewable energy credits from each  
17 new renewable energy facility to be constructed and  
18 operated by the applicant, with the sale and purchase  
19 obligations under the contracts to aggregate to the total  
20 number of renewable energy credits per year to be supplied  
21 by the applicant from the new renewable energy facility.

22 (7) The Agency shall submit its proposed selection of  
23 applicants, new renewable energy facilities to be  
24 constructed, and renewable energy credit amounts for each  
25 procurement event to the Commission for approval. The  
26 Commission shall, within 2 business days after receipt of

1 the Agency's proposed selections, approve the proposed  
2 selections if it determines that the applicants and the  
3 new renewable energy facilities to be constructed meet the  
4 selection criteria set forth in this subsection (c-5) and  
5 that the Agency seeks approval for contracts of applicable  
6 durations aggregating to no more than the maximum amount  
7 of renewable energy credits per year authorized by this  
8 subsection (c-5) for the procurement event, at a price of  
9 \$30 per renewable energy credit.

10 (8) The Agency, in conjunction with its procurement  
11 administrator if one is retained, the electric utilities,  
12 and potential applicants for contracts to produce and  
13 supply renewable energy credits pursuant to this  
14 subsection (c-5), shall develop a standard form contract  
15 for the sale, delivery and purchase of renewable energy  
16 credits pursuant to this subsection (c-5). Each contract  
17 resulting from the first procurement event shall allow for  
18 a commercial operation date for the new renewable energy  
19 facility of either June 1, 2023 or June 1, 2024, with such  
20 dates subject to adjustment as provided in this paragraph.  
21 Each contract resulting from the second procurement event  
22 shall provide for a commercial operation date on June 1  
23 next occurring up to 48 months after execution of the  
24 contract. Each contract shall provide that the owner shall  
25 receive payments for renewable energy credits for the  
26 applicable durations beginning with the commercial

1 operation date of the new renewable energy facility. The  
2 form contract shall provide for adjustments to the  
3 commercial operation and payment start dates as needed due  
4 to any delays in completing the procurement and  
5 contracting processes, in finalizing interconnection  
6 agreements and installing interconnection facilities, and  
7 in obtaining other necessary governmental permits and  
8 approvals. The form contract shall be, to the maximum  
9 extent possible, consistent with standard electric  
10 industry contracts for sale, delivery, and purchase of  
11 renewable energy credits while taking into account the  
12 specific requirements of this subsection (c-5). The form  
13 contract shall provide for over-delivery and  
14 under-delivery of renewable energy credits within  
15 reasonable ranges during each 12-month period and penalty,  
16 default, and enforcement provisions for failure of the  
17 selling party to deliver renewable energy credits as  
18 specified in the contract and to comply with the  
19 requirements of this subsection (c-5). The standard form  
20 contract shall specify that all renewable energy credits  
21 delivered to the electric utility pursuant to the contract  
22 shall be retired. The Agency shall make the proposed  
23 contracts available for a reasonable period for comment by  
24 potential applicants, and shall publish the final form  
25 contract at least 30 days before the date of the first  
26 procurement event.

1           (9) Coal to Solar and Energy Storage Initiative  
2 Charge.

3           (A) By no later than July 1, 2022, each electric  
4 utility that served more than 300,000 retail customers  
5 in this State as of January 1, 2019 shall file a tariff  
6 with the Commission for the billing and collection of  
7 a Coal to Solar and Energy Storage Initiative Charge  
8 in accordance with subsection (i-5) of Section 16-108  
9 of the Public Utilities Act, with such tariff to be  
10 effective, following review and approval or  
11 modification by the Commission, beginning January 1,  
12 2023. The tariff shall provide for the calculation and  
13 setting of the electric utility's Coal to Solar and  
14 Energy Storage Initiative Charge to collect revenues  
15 estimated to be sufficient, in the aggregate, (i) to  
16 enable the electric utility to pay for the renewable  
17 energy credits it has contracted to purchase in the  
18 delivery year beginning June 1, 2023 and each delivery  
19 year thereafter from new renewable energy facilities  
20 located at the sites of qualifying electric generating  
21 facilities, and (ii) to fund the grant payments to be  
22 made in each delivery year by the Department of  
23 Commerce and Economic Opportunity, or any successor  
24 department or agency, which shall be referred to in  
25 this subsection (c-5) as the Department, pursuant to  
26 paragraph (10) of this subsection (c-5). The electric

1 utility's tariff shall provide for the billing and  
2 collection of the Coal to Solar and Energy Storage  
3 Initiative Charge on each kilowatthour of electricity  
4 delivered to its delivery services customers within  
5 its service territory and shall provide for an annual  
6 reconciliation of revenues collected with actual  
7 costs, in accordance with subsection (i-5) of Section  
8 16-108 of the Public Utilities Act.

9 (B) Each electric utility shall remit on a monthly  
10 basis to the State Treasurer, for deposit in the Coal  
11 to Solar and Energy Storage Initiative Fund provided  
12 for in this subsection (c-5), the electric utility's  
13 collections of the Coal to Solar and Energy Storage  
14 Initiative Charge in the amount estimated to be needed  
15 by the Department for grant payments pursuant to grant  
16 contracts entered into by the Department pursuant to  
17 paragraph (10) of this subsection (c-5).

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

19 (A) The Coal to Solar and Energy Storage  
20 Initiative Fund is established as a special fund in  
21 the State treasury. The Coal to Solar and Energy  
22 Storage Initiative Fund is authorized to receive, by  
23 statutory deposit, that portion specified in item (B)  
24 of paragraph (9) of this subsection (c-5) of moneys  
25 collected by electric utilities through imposition of  
26 the Coal to Solar and Energy Storage Initiative Charge

1 required by this subsection (c-5). The Coal to Solar  
2 and Energy Storage Initiative Fund shall be  
3 administered by the Department to provide grants to  
4 support the installation and operation of energy  
5 storage facilities at the sites of qualifying electric  
6 generating facilities meeting the criteria specified  
7 in this paragraph (10).

8 (B) The Coal to Solar and Energy Storage  
9 Initiative Fund shall not be subject to sweeps,  
10 administrative charges, or chargebacks, including, but  
11 not limited to, those authorized under Section 8h of  
12 the State Finance Act, that would in any way result in  
13 the transfer of those funds from the Coal to Solar and  
14 Energy Storage Initiative Fund to any other fund of  
15 this State or in having any such funds utilized for any  
16 purpose other than the express purposes set forth in  
17 this paragraph (10).

18 (C) The Department shall utilize up to  
19 \$280,500,000 in the Coal to Solar and Energy Storage  
20 Initiative Fund for grants, assuming sufficient  
21 qualifying applicants, to support installation of  
22 energy storage facilities at the sites of up to 3  
23 qualifying electric generating facilities located in  
24 the Midcontinent Independent System Operator, Inc.,  
25 region in Illinois and the sites of up to 2 qualifying  
26 electric generating facilities located in the PJM

1 Interconnection, LLC region in Illinois that meet the  
2 criteria set forth in this subparagraph (C). The  
3 criteria for receipt of a grant pursuant to this  
4 subparagraph (C) are as follows:

5 (1) the electric generating facility at the  
6 site has, or had prior to retirement, an electric  
7 generating capacity of at least 150 megawatts;

8 (2) the electric generating facility burns (or  
9 burned prior to retirement) coal as its primary  
10 source of fuel;

11 (3) if the electric generating facility is  
12 retired, it was retired subsequent to January 1,  
13 2016;

14 (4) the owner of the electric generating  
15 facility has not been selected by the Agency  
16 pursuant to this subsection (c-5) of this Section  
17 to enter into a contract to sell renewable energy  
18 credits to one or more electric utilities from a  
19 new renewable energy facility located or to be  
20 located at or adjacent to the site at which the  
21 electric generating facility is located;

22 (5) the electric generating facility located  
23 at the site was at one time owned, in whole or in  
24 part, by a public utility as defined in Section  
25 3-105 of the Public Utilities Act;

26 (6) the electric generating facility at the

1 site is not owned by (i) an electric cooperative  
2 as defined in Section 3-119 of the Public  
3 Utilities Act, or (ii) an entity described in  
4 subsection (b)(1) of Section 3-105 of the Public  
5 Utilities Act, or an association or consortium of  
6 or an entity owned by entities described in items  
7 (i) or (ii);

8 (7) the proposed energy storage facility at  
9 the site will have energy storage capacity of at  
10 least 37 megawatts;

11 (8) the owner commits to place the energy  
12 storage facility into commercial operation on  
13 either June 1, 2023, June 1, 2024, or June 1, 2025,  
14 with such date subject to adjustment as needed due  
15 to any delays in completing the grant contracting  
16 process, in finalizing interconnection agreements  
17 and in installing interconnection facilities, and  
18 in obtaining necessary governmental permits and  
19 approvals;

20 (9) the owner agrees that the new energy  
21 storage facility will be constructed or installed  
22 by a qualified entity or entities consistent with  
23 the requirements of subsection (g) of Section  
24 16-128A of the Public Utilities Act and any rules  
25 adopted under that Section;

26 (10) the owner agrees that personnel operating



1 the energy storage facility will have the  
2 requisite skills, knowledge, training, experience,  
3 and competence, which may be demonstrated by  
4 completion or current participation and ultimate  
5 completion by employees of an accredited or  
6 otherwise recognized apprenticeship program for  
7 the employee's particular craft, trade, or skill,  
8 including through training and education courses  
9 and opportunities offered by the owner to  
10 employees of the coal-fueled electric generating  
11 facility or by previous employment experience  
12 performing the employee's particular work skill or  
13 function;

14 (11) the owner commits that not less than the  
15 prevailing wage, as determined pursuant to the  
16 Prevailing Wage Act, will be paid to the owner's  
17 employees engaged in construction activities  
18 associated with the new energy storage facility  
19 and to the employees of the owner's contractors  
20 engaged in construction activities associated with  
21 the new energy storage facility, and that, on or  
22 before the commercial operation date of the new  
23 energy storage facility, the owner shall file a  
24 report with the Department certifying that the  
25 requirements of this subparagraph (11) have been  
26 met; and

1           (12) the owner commits that if selected to  
2           receive a grant, it will negotiate a project labor  
3           agreement for the construction of the new energy  
4           storage facility that includes provisions  
5           requiring the parties to the agreement to work  
6           together to establish diversity threshold  
7           requirements and to ensure best efforts to meet  
8           diversity targets, improve diversity at the  
9           applicable job site, create diverse apprenticeship  
10          opportunities, and create opportunities to employ  
11          former coal-fired power plant workers.

12          The Department shall accept applications for this  
13          grant program until March 31, 2022 and shall announce  
14          the award of grants no later than June 1, 2022. The  
15          Department shall make the grant payments to a  
16          recipient in equal annual amounts for 10 years  
17          following the date the energy storage facility is  
18          placed into commercial operation. The annual grant  
19          payments to a qualifying energy storage facility shall  
20          be \$110,000 per megawatt of energy storage capacity,  
21          with total annual grant payments pursuant to this  
22          subparagraph (C) for qualifying energy storage  
23          facilities not to exceed \$28,050,000 in any year.

24          (D) Grants of funding for energy storage  
25          facilities pursuant to subparagraph (C) of this  
26          paragraph (10), from the Coal to Solar and Energy

1 Storage Initiative Fund, shall be memorialized in  
2 grant contracts between the Department and the  
3 recipient. The grant contracts shall specify the date  
4 or dates in each year on which the annual grant  
5 payments shall be paid.

6 (E) All disbursements from the Coal to Solar and  
7 Energy Storage Initiative Fund shall be made only upon  
8 warrants of the Comptroller drawn upon the Treasurer  
9 as custodian of the Fund upon vouchers signed by the  
10 Director of the Department or by the person or persons  
11 designated by the Director of the Department for that  
12 purpose. The Comptroller is authorized to draw the  
13 warrants upon vouchers so signed. The Treasurer shall  
14 accept all written warrants so signed and shall be  
15 released from liability for all payments made on those  
16 warrants.

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

18 (A) Each applicant selected in a procurement event  
19 to contract to supply renewable energy credits in  
20 accordance with this subsection (c-5) and each owner  
21 selected by the Department to receive a grant or  
22 grants to support the construction and operation of a  
23 new energy storage facility or facilities in  
24 accordance with this subsection (c-5) shall, within 60  
25 days following the Commission's approval of the  
26 applicant to contract to supply renewable energy

1 credits or within 60 days following execution of a  
2 grant contract with the Department, as applicable,  
3 submit to the Commission a diversity, equity, and  
4 inclusion plan setting forth the applicant's or  
5 owner's numeric goals for the diversity composition of  
6 its supplier entities for the new renewable energy  
7 facility or new energy storage facility, as  
8 applicable, which shall be referred to for purposes of  
9 this paragraph (11) as the project, and the  
10 applicant's or owner's action plan and schedule for  
11 achieving those goals.

12 (B) For purposes of this paragraph (11), diversity  
13 composition shall be based on the percentage, which  
14 shall be a minimum of 25%, of eligible expenditures  
15 for contract awards for materials and services (which  
16 shall be defined in the plan) to business enterprises  
17 owned by minority persons, women, or persons with  
18 disabilities as defined in Section 2 of the Business  
19 Enterprise for Minorities, Women, and Persons with  
20 Disabilities Act, to LGBTQ business enterprises, to  
21 veteran-owned business enterprises, and to business  
22 enterprises located in environmental justice  
23 communities. The diversity composition goals of the  
24 plan may include eligible expenditures in areas for  
25 vendor or supplier opportunities in addition to  
26 development and construction of the project, and may

1           exclude from eligible expenditures materials and  
2           services with limited market availability, limited  
3           production and availability from suppliers in the  
4           United States, such as solar panels and storage  
5           batteries, and material and services that are subject  
6           to critical energy infrastructure or cybersecurity  
7           requirements or restrictions. The plan may provide  
8           that the diversity composition goals may be met  
9           through Tier 1 Direct or Tier 2 subcontracting  
10          expenditures or a combination thereof for the project.

11           (C) The plan shall provide for, but not be limited  
12          to: (i) internal initiatives, including multi-tier  
13          initiatives, by the applicant or owner, or by its  
14          engineering, procurement and construction contractor  
15          if one is used for the project, which for purposes of  
16          this paragraph (11) shall be referred to as the EPC  
17          contractor, to enable diverse businesses to be  
18          considered fairly for selection to provide materials  
19          and services; (ii) requirements for the applicant or  
20          owner or its EPC contractor to proactively solicit and  
21          utilize diverse businesses to provide materials and  
22          services; and (iii) requirements for the applicant or  
23          owner or its EPC contractor to hire a diverse  
24          workforce for the project. The plan shall include a  
25          description of the applicant's or owner's diversity  
26          recruiting efforts both for the project and for other

1 areas of the applicant's or owner's business  
2 operations. The plan shall provide for the imposition  
3 of financial penalties on the applicant's or owner's  
4 EPC contractor for failure to exercise best efforts to  
5 comply with and execute the EPC contractor's diversity  
6 obligations under the plan. The plan may provide for  
7 the applicant or owner to set aside a portion of the  
8 work on the project to serve as an incubation program  
9 for qualified businesses, as specified in the plan,  
10 owned by minority persons, women, persons with  
11 disabilities, LGBTQ persons, and veterans, and  
12 businesses located in environmental justice  
13 communities, seeking to enter the renewable energy  
14 industry.

15 (D) The applicant or owner may submit a revised or  
16 updated plan to the Commission from time to time as  
17 circumstances warrant. The applicant or owner shall  
18 file annual reports with the Commission detailing the  
19 applicant's or owner's progress in implementing its  
20 plan and achieving its goals and any modifications the  
21 applicant or owner has made to its plan to better  
22 achieve its diversity, equity and inclusion goals. The  
23 applicant or owner shall file a final report on the  
24 fifth June 1 following the commercial operation date  
25 of the new renewable energy resource or new energy  
26 storage facility, but the applicant or owner shall

1           thereafter continue to be subject to applicable  
2           reporting requirements of Section 5-117 of the Public  
3           Utilities Act.

4           (c-10) Equity accountability system. It is the purpose of  
5           this subsection (c-10) to create an equity accountability  
6           system, which includes the minimum equity standards for all  
7           renewable energy procurements, the equity category of the  
8           Adjustable Block Program, and the equity prioritization for  
9           noncompetitive procurements, that is successful in advancing  
10          priority access to the clean energy economy for businesses and  
11          workers from communities that have been excluded from economic  
12          opportunities in the energy sector, have been subject to  
13          disproportionate levels of pollution, and have  
14          disproportionately experienced negative public health  
15          outcomes. Further, it is the purpose of this subsection to  
16          ensure that this equity accountability system is successful in  
17          advancing equity across Illinois by providing access to the  
18          clean energy economy for businesses and workers from  
19          communities that have been historically excluded from economic  
20          opportunities in the energy sector, have been subject to  
21          disproportionate levels of pollution, and have  
22          disproportionately experienced negative public health  
23          outcomes.

24                 (1) Minimum equity standards. The Agency shall create  
25                 programs with the purpose of increasing access to and  
26                 development of equity eligible contractors, who are prime

1 contractors and subcontractors, across all of the programs  
2 it manages. All applications for renewable energy credit  
3 procurements shall comply with specific minimum equity  
4 commitments. Starting in the delivery year immediately  
5 following the next long-term renewable resources  
6 procurement plan, at least 10% of the project workforce  
7 for each entity participating in a procurement program  
8 outlined in this subsection (c-10) must be done by equity  
9 eligible persons or equity eligible contractors. The  
10 Agency shall increase the minimum percentage each delivery  
11 year thereafter by increments that ensure a statewide  
12 average of 30% of the project workforce for each entity  
13 participating in a procurement program is done by equity  
14 eligible persons or equity eligible contractors by 2030.  
15 The Agency shall propose a schedule of percentage  
16 increases to the minimum equity standards in its draft  
17 revised renewable energy resources procurement plan  
18 submitted to the Commission for approval pursuant to  
19 paragraph (5) of subsection (b) of Section 16-111.5 of the  
20 Public Utilities Act. In determining these annual  
21 increases, the Agency shall have the discretion to  
22 establish different minimum equity standards for different  
23 types of procurements and different regions of the State  
24 if the Agency finds that doing so will further the  
25 purposes of this subsection (c-10). The proposed schedule  
26 of annual increases shall be revisited and updated on an



1 annual basis. Revisions shall be developed with  
2 stakeholder input, including from equity eligible persons,  
3 equity eligible contractors, clean energy industry  
4 representatives, and community-based organizations that  
5 work with such persons and contractors.

6 (A) At the start of each delivery year, the Agency  
7 shall require a compliance plan from each entity  
8 participating in a procurement program of subsection  
9 (c) of this Section, and entities opting to comply  
10 with the minimum equity standard through the Illinois  
11 Solar for All Program under Section 1-56 of this Act,  
12 that demonstrates how they will achieve compliance  
13 with the minimum equity standard percentage for work  
14 completed in that delivery year. If an entity applies  
15 for its approved vendor or designee status between  
16 delivery years, the Agency shall require a compliance  
17 plan at the time of application.

18 (B) Halfway through each delivery year, the Agency  
19 shall require each entity participating in a  
20 procurement program to confirm that it will achieve  
21 compliance in that delivery year, when applicable. The  
22 Agency may offer corrective action plans to entities  
23 that are not on track to achieve compliance.

24 (C) At the end of each delivery year, each entity  
25 participating and completing work in that delivery  
26 year in a procurement program of subsection (c) shall

1 submit a report to the Agency that demonstrates how it  
2 achieved compliance with the minimum equity standards  
3 percentage for that delivery year.

4 (D) The Agency shall prohibit participation in  
5 procurement programs by an approved vendor or  
6 designee, as applicable, or entities with which an  
7 approved vendor or designee, as applicable, shares a  
8 common parent company if an approved vendor or  
9 designee, as applicable, failed to meet the minimum  
10 equity standards for the prior delivery year. Waivers  
11 approved for lack of equity eligible persons or equity  
12 eligible contractors in a geographic area of a project  
13 shall not count against the approved vendor or  
14 designee. The Agency shall offer a corrective action  
15 plan for any such entities to assist them in obtaining  
16 compliance and shall allow continued access to  
17 procurement programs upon an approved vendor or  
18 designee demonstrating compliance.

19 (E) The Agency shall pursue efficiencies achieved  
20 by combining with other approved vendor or designee  
21 reporting.

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

26 (3) Equity accountability system within competitive

1 procurements. Through its long-term renewable resources  
2 procurement plan, the Agency shall develop requirements  
3 for ensuring that competitive procurement processes,  
4 including utility-scale solar, utility-scale wind, and  
5 brownfield site photovoltaic projects, advance the equity  
6 goals of this subsection (c-10). Subject to Commission  
7 approval, the Agency shall develop bid application  
8 requirements and a bid evaluation methodology for ensuring  
9 that utilization of equity eligible contractors, whether  
10 as bidders or as participants on project development, is  
11 optimized, including requiring that winning or successful  
12 applicants for utility-scale projects are or will partner  
13 with equity eligible contractors and giving preference to  
14 bids through which a higher portion of contract value  
15 flows to equity eligible contractors. To the extent  
16 practicable, entities participating in competitive  
17 procurements shall also be required to meet all the equity  
18 accountability requirements for approved vendors and their  
19 designees under this subsection (c-10). In developing  
20 these requirements, the Agency shall also consider whether  
21 equity goals can be further advanced through additional  
22 measures.

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

26 (A) The current status and number of equity

1 eligible contractors listed in the Energy Workforce  
2 Equity Database designed in subsection (c-25),  
3 including the number of equity eligible contractors  
4 with current certifications as issued by the Agency.

5 (B) A mechanism for measuring, tracking, and  
6 reporting project workforce at the approved vendor or  
7 designee level, as applicable, which shall include a  
8 measurement methodology and records to be made  
9 available for audit by the Agency or the Program  
10 Administrator.

11 (C) A program for approved vendors, designees,  
12 eligible persons, and equity eligible contractors to  
13 receive trainings, guidance, and other support from  
14 the Agency or its designee regarding the equity  
15 category outlined in item (vi) of subparagraph (K) of  
16 paragraph (1) of subsection (c) and in meeting the  
17 minimum equity standards of this subsection (c-10).

18 (D) A process for certifying equity eligible  
19 contractors and equity eligible persons. The  
20 certification process shall coordinate with the Energy  
21 Workforce Equity Database set forth in subsection  
22 (c-25).

23 (E) An application for waiver of the minimum  
24 equity standards of this subsection, which the Agency  
25 shall have the discretion to grant in rare  
26 circumstances. The Agency may grant such a waiver

1 where the applicant provides evidence of significant  
2 efforts toward meeting the minimum equity commitment,  
3 including: use of the Energy Workforce Equity  
4 Database; efforts to hire or contract with entities  
5 that hire eligible persons; and efforts to establish  
6 contracting relationships with eligible contractors.  
7 The Agency shall support applicants in understanding  
8 the Energy Workforce Equity Database and other  
9 resources for pursuing compliance of the minimum  
10 equity standards. Waivers shall be project-specific,  
11 unless the Agency deems it necessary to grant a waiver  
12 across a portfolio of projects, and in effect for no  
13 longer than one year. Any waiver extension or  
14 subsequent waiver request from an applicant shall be  
15 subject to the requirements of this Section and shall  
16 specify efforts made to reach compliance. When  
17 considering whether to grant a waiver, and to what  
18 extent, the Agency shall consider the degree to which  
19 similarly situated applicants have been able to meet  
20 these minimum equity commitments. For repeated waiver  
21 requests for specific lack of eligible persons or  
22 eligible contractors available, the Agency shall make  
23 recommendations to target recruitment to add such  
24 eligible persons or eligible contractors to the  
25 database.

26 (5) The Agency shall collect information about work on

1 projects or portfolios of projects subject to these  
2 minimum equity standards to ensure compliance with this  
3 subsection (c-10). Reporting in furtherance of this  
4 requirement may be combined with other annual reporting  
5 requirements. Such reporting shall include proof of  
6 certification of each equity eligible contractor or equity  
7 eligible person during the applicable time period.

8 (6) The Agency shall keep confidential all information  
9 and communication that provides private or personal  
10 information.

11 (7) Modifications to the equity accountability system.  
12 As part of the update of the long-term renewable resources  
13 procurement plan to be initiated in 2023, or sooner if the  
14 Agency deems necessary, the Agency shall determine the  
15 extent to which the equity accountability system described  
16 in this subsection (c-10) has advanced the goals of this  
17 amendatory Act of the 102nd General Assembly, including  
18 through the inclusion of equity eligible persons and  
19 equity eligible contractors in renewable energy credit  
20 projects. If the Agency finds that the equity  
21 accountability system has failed to meet those goals to  
22 its fullest potential, the Agency may revise the following  
23 criteria for future Agency procurements: (A) the  
24 percentage of project workforce, or other appropriate  
25 workforce measure, certified as equity eligible persons or  
26 equity eligible contractors; (B) definitions for equity

1 investment eligible persons and equity investment eligible  
2 community; and (C) such other modifications necessary to  
3 advance the goals of this amendatory Act of the 102nd  
4 General Assembly effectively. Such revised criteria may  
5 also establish distinct equity accountability systems for  
6 different types of procurements or different regions of  
7 the State if the Agency finds that doing so will further  
8 the purposes of such programs. Revisions shall be  
9 developed with stakeholder input, including from equity  
10 eligible persons, equity eligible contractors, and  
11 community-based organizations that work with such persons  
12 and contractors.

13 (c-15) Racial discrimination elimination powers and  
14 process.

15 (1) Purpose. It is the purpose of this subsection to  
16 empower the Agency and other State actors to remedy racial  
17 discrimination in Illinois' clean energy economy as  
18 effectively and expediently as possible, including through  
19 the use of race-conscious remedies, such as race-conscious  
20 contracting and hiring goals, as consistent with State and  
21 federal law.

22 (2) Racial disparity and discrimination review  
23 process.

24 (A) Within one year after awarding contracts using  
25 the equity actions processes established in this  
26 Section, the Agency shall publish a report evaluating

1 the effectiveness of the equity actions point criteria  
2 of this Section in increasing participation of equity  
3 eligible persons and equity eligible contractors. The  
4 report shall disaggregate participating workers and  
5 contractors by race and ethnicity. The report shall be  
6 forwarded to the Governor, the General Assembly, and  
7 the Illinois Commerce Commission and be made available  
8 to the public.

9 (B) As soon as is practicable thereafter, the  
10 Agency, in consultation with the Department of  
11 Commerce and Economic Opportunity, Department of  
12 Labor, and other agencies that may be relevant, shall  
13 commission and publish a disparity and availability  
14 study that measures the presence and impact of  
15 discrimination on minority businesses and workers in  
16 Illinois' clean energy economy. The Agency may hire  
17 consultants and experts to conduct the disparity and  
18 availability study, with the retention of those  
19 consultants and experts exempt from the requirements  
20 of Section 20-10 of the Illinois Procurement Code. The  
21 Illinois Power Agency shall forward a copy of its  
22 findings and recommendations to the Governor, the  
23 General Assembly, and the Illinois Commerce  
24 Commission. If the disparity and availability study  
25 establishes a strong basis in evidence that there is  
26 discrimination in Illinois' clean energy economy, the



1 Agency, Department of Commerce and Economic  
2 Opportunity, Department of Labor, Department of  
3 Corrections, and other appropriate agencies shall take  
4 appropriate remedial actions, including race-conscious  
5 remedial actions as consistent with State and federal  
6 law, to effectively remedy this discrimination. Such  
7 remedies may include modification of the equity  
8 accountability system as described in subsection  
9 (c-10).

10 (c-20) Program data collection.

11 (1) Purpose. Data collection, data analysis, and  
12 reporting are critical to ensure that the benefits of the  
13 clean energy economy provided to Illinois residents and  
14 businesses are equitably distributed across the State. The  
15 Agency shall collect data from program applicants in order  
16 to track and improve equitable distribution of benefits  
17 across Illinois communities for all procurements the  
18 Agency conducts. The Agency shall use this data to, among  
19 other things, measure any potential impact of racial  
20 discrimination on the distribution of benefits and provide  
21 information necessary to correct any discrimination  
22 through methods consistent with State and federal law.

23 (2) Agency collection of program data. The Agency  
24 shall collect demographic and geographic data for each  
25 entity awarded contracts under any Agency-administered  
26 program.

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

4           (A) demographic information, including racial or  
5 ethnic identity for real persons employed, contracted,  
6 or subcontracted through the program and owners of  
7 businesses or entities that apply to receive renewable  
8 energy credits from the Agency;

9           (B) geographic location of the residency of real  
10 persons employed, contracted, or subcontracted through  
11 the program and geographic location of the  
12 headquarters of the business or entity that applies to  
13 receive renewable energy credits from the Agency; and

14           (C) any other information the Agency determines is  
15 necessary for the purpose of achieving the purpose of  
16 this subsection.

17           (4) Publication of collected information. The Agency  
18 shall publish, at least annually, information on the  
19 demographics of program participants on an aggregate  
20 basis.

21           (5) Nothing in this subsection shall be interpreted to  
22 limit the authority of the Agency, or other agency or  
23 department of the State, to require or collect demographic  
24 information from applicants of other State programs.

25           (c-25) Energy Workforce Equity Database.

26           (1) The Agency, in consultation with the Department of

1 Commerce and Economic Opportunity, shall create an Energy  
2 Workforce Equity Database, and may contract with a third  
3 party to do so ("database program administrator"). If the  
4 Department decides to contract with a third party, that  
5 third party shall be exempt from the requirements of  
6 Section 20-10 of the Illinois Procurement Code. The Energy  
7 Workforce Equity Database shall be a searchable database  
8 of suppliers, vendors, and subcontractors for clean energy  
9 industries that is:

10 (A) publicly accessible;

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

12 (C) organized by company specialty or field;

13 (D) region-specific; and

14 (E) populated with information including, but not  
15 limited to, contacts for suppliers, vendors, or  
16 subcontractors who are minority and women-owned  
17 business enterprise certified or who participate or  
18 have participated in any of the programs described in  
19 this Act.

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

23 (A) a map of environmental justice and equity  
24 investment eligible communities;

25 (B) job postings and recruiting opportunities;

26 (C) a means by which recruiting clean energy

1 companies can find and interact with current or former  
2 participants of clean energy workforce training  
3 programs;

4 (D) information on workforce training service  
5 providers and training opportunities available to  
6 prospective workers;

7 (E) renewable energy company diversity reporting;

8 (F) a list of equity eligible contractors with  
9 their contact information, types of work performed,  
10 and locations worked in;

11 (G) reporting on outcomes of the programs  
12 described in the workforce programs of the Energy  
13 Transition Act, including information such as, but not  
14 limited to, retention rate, graduation rate, and  
15 placement rates of trainees; and

16 (H) information about the Jobs and Environmental  
17 Justice Grant Program, the Clean Energy Jobs and  
18 Justice Fund, and other sources of capital.

19 (3) The Agency shall ensure the database is regularly  
20 updated to ensure information is current and shall  
21 coordinate with the Department of Commerce and Economic  
22 Opportunity to ensure that it includes information on  
23 individuals and entities that are or have participated in  
24 the Clean Jobs Workforce Network Program, Clean Energy  
25 Contractor Incubator Program, Returning Residents Clean  
26 Jobs Training Program, or Clean Energy Primes Contractor

1 Accelerator Program.

2 (c-30) Enforcement of minimum equity standards. All  
3 entities seeking renewable energy credits must submit an  
4 annual report to demonstrate compliance with each of the  
5 equity commitments required under subsection (c-10). If the  
6 Agency concludes the entity has not met or maintained its  
7 minimum equity standards required under the applicable  
8 subparagraphs under subsection (c-10), the Agency shall deny  
9 the entity's ability to participate in procurement programs in  
10 subsection (c), including by withholding approved vendor or  
11 designee status. The Agency may require the entity to enter  
12 into a corrective action plan. An entity that is not  
13 recertified for failing to meet required equity actions in  
14 subparagraph (c-10) may reapply once they have a corrective  
15 action plan and achieve compliance with the minimum equity  
16 standards.

17 (d) Clean coal portfolio standard.

18 (1) The procurement plans shall include electricity  
19 generated using clean coal. Each utility shall enter into  
20 one or more sourcing agreements with the initial clean  
21 coal facility, as provided in paragraph (3) of this  
22 subsection (d), covering electricity generated by the  
23 initial clean coal facility representing at least 5% of  
24 each utility's total supply to serve the load of eligible  
25 retail customers in 2015 and each year thereafter, as  
26 described in paragraph (3) of this subsection (d), subject

1 to the limits specified in paragraph (2) of this  
2 subsection (d). It is the goal of the State that by January  
3 1, 2025, 25% of the electricity used in the State shall be  
4 generated by cost-effective clean coal facilities. For  
5 purposes of this subsection (d), "cost-effective" means  
6 that the expenditures pursuant to such sourcing agreements  
7 do not cause the limit stated in paragraph (2) of this  
8 subsection (d) to be exceeded and do not exceed cost-based  
9 benchmarks, which shall be developed to assess all  
10 expenditures pursuant to such sourcing agreements covering  
11 electricity generated by clean coal facilities, other than  
12 the initial clean coal facility, by the procurement  
13 administrator, in consultation with the Commission staff,  
14 Agency staff, and the procurement monitor and shall be  
15 subject to Commission review and approval.

16 A utility party to a sourcing agreement shall  
17 immediately retire any emission credits that it receives  
18 in connection with the electricity covered by such  
19 agreement.

20 Utilities shall maintain adequate records documenting  
21 the purchases under the sourcing agreement to comply with  
22 this subsection (d) and shall file an accounting with the  
23 load forecast that must be filed with the Agency by July 15  
24 of each year, in accordance with subsection (d) of Section  
25 16-111.5 of the Public Utilities Act.

26 A utility shall be deemed to have complied with the

1 clean coal portfolio standard specified in this subsection  
2 (d) if the utility enters into a sourcing agreement as  
3 required by this subsection (d).

4 (2) For purposes of this subsection (d), the required  
5 execution of sourcing agreements with the initial clean  
6 coal facility for a particular year shall be measured as a  
7 percentage of the actual amount of electricity  
8 (megawatt-hours) supplied by the electric utility to  
9 eligible retail customers in the planning year ending  
10 immediately prior to the agreement's execution. For  
11 purposes of this subsection (d), the amount paid per  
12 kilowatthour means the total amount paid for electric  
13 service expressed on a per kilowatthour basis. For  
14 purposes of this subsection (d), the total amount paid for  
15 electric service includes without limitation amounts paid  
16 for supply, transmission, distribution, surcharges and  
17 add-on taxes.

18 Notwithstanding the requirements of this subsection  
19 (d), the total amount paid under sourcing agreements with  
20 clean coal facilities pursuant to the procurement plan for  
21 any given year shall be reduced by an amount necessary to  
22 limit the annual estimated average net increase due to the  
23 costs of these resources included in the amounts paid by  
24 eligible retail customers in connection with electric  
25 service to:

26 (A) in 2010, no more than 0.5% of the amount paid

1 per kilowatthour by those customers during the year  
2 ending May 31, 2009;

3 (B) in 2011, the greater of an additional 0.5% of  
4 the amount paid per kilowatthour by those customers  
5 during the year ending May 31, 2010 or 1% of the amount  
6 paid per kilowatthour by those customers during the  
7 year ending May 31, 2009;

8 (C) in 2012, the greater of an additional 0.5% of  
9 the amount paid per kilowatthour by those customers  
10 during the year ending May 31, 2011 or 1.5% of the  
11 amount paid per kilowatthour by those customers during  
12 the year ending May 31, 2009;

13 (D) in 2013, the greater of an additional 0.5% of  
14 the amount paid per kilowatthour by those customers  
15 during the year ending May 31, 2012 or 2% of the amount  
16 paid per kilowatthour by those customers during the  
17 year ending May 31, 2009; and

18 (E) thereafter, the total amount paid under  
19 sourcing agreements with clean coal facilities  
20 pursuant to the procurement plan for any single year  
21 shall be reduced by an amount necessary to limit the  
22 estimated average net increase due to the cost of  
23 these resources included in the amounts paid by  
24 eligible retail customers in connection with electric  
25 service to no more than the greater of (i) 2.015% of  
26 the amount paid per kilowatthour by those customers



1           during the year ending May 31, 2009 or (ii) the  
2           incremental amount per kilowatthour paid for these  
3           resources in 2013. These requirements may be altered  
4           only as provided by statute.

5           No later than June 30, 2015, the Commission shall  
6           review the limitation on the total amount paid under  
7           sourcing agreements, if any, with clean coal facilities  
8           pursuant to this subsection (d) and report to the General  
9           Assembly its findings as to whether that limitation unduly  
10          constrains the amount of electricity generated by  
11          cost-effective clean coal facilities that is covered by  
12          sourcing agreements.

13          (3) Initial clean coal facility. In order to promote  
14          development of clean coal facilities in Illinois, each  
15          electric utility subject to this Section shall execute a  
16          sourcing agreement to source electricity from a proposed  
17          clean coal facility in Illinois (the "initial clean coal  
18          facility") that will have a nameplate capacity of at least  
19          500 MW when commercial operation commences, that has a  
20          final Clean Air Act permit on June 1, 2009 (the effective  
21          date of Public Act 95-1027), and that will meet the  
22          definition of clean coal facility in Section 1-10 of this  
23          Act when commercial operation commences. The sourcing  
24          agreements with this initial clean coal facility shall be  
25          subject to both approval of the initial clean coal  
26          facility by the General Assembly and satisfaction of the

1 requirements of paragraph (4) of this subsection (d) and  
2 shall be executed within 90 days after any such approval  
3 by the General Assembly. The Agency and the Commission  
4 shall have authority to inspect all books and records  
5 associated with the initial clean coal facility during the  
6 term of such a sourcing agreement. A utility's sourcing  
7 agreement for electricity produced by the initial clean  
8 coal facility shall include:

9 (A) a formula contractual price (the "contract  
10 price") approved pursuant to paragraph (4) of this  
11 subsection (d), which shall:

12 (i) be determined using a cost of service  
13 methodology employing either a level or deferred  
14 capital recovery component, based on a capital  
15 structure consisting of 45% equity and 55% debt,  
16 and a return on equity as may be approved by the  
17 Federal Energy Regulatory Commission, which in any  
18 case may not exceed the lower of 11.5% or the rate  
19 of return approved by the General Assembly  
20 pursuant to paragraph (4) of this subsection (d);  
21 and

22 (ii) provide that all miscellaneous net  
23 revenue, including but not limited to net revenue  
24 from the sale of emission allowances, if any,  
25 substitute natural gas, if any, grants or other  
26 support provided by the State of Illinois or the

1 United States Government, firm transmission  
2 rights, if any, by-products produced by the  
3 facility, energy or capacity derived from the  
4 facility and not covered by a sourcing agreement  
5 pursuant to paragraph (3) of this subsection (d)  
6 or item (5) of subsection (d) of Section 16-115 of  
7 the Public Utilities Act, whether generated from  
8 the synthesis gas derived from coal, from SNG, or  
9 from natural gas, shall be credited against the  
10 revenue requirement for this initial clean coal  
11 facility;

12 (B) power purchase provisions, which shall:

13 (i) provide that the utility party to such  
14 sourcing agreement shall pay the contract price  
15 for electricity delivered under such sourcing  
16 agreement;

17 (ii) require delivery of electricity to the  
18 regional transmission organization market of the  
19 utility that is party to such sourcing agreement;

20 (iii) require the utility party to such  
21 sourcing agreement to buy from the initial clean  
22 coal facility in each hour an amount of energy  
23 equal to all clean coal energy made available from  
24 the initial clean coal facility during such hour  
25 times a fraction, the numerator of which is such  
26 utility's retail market sales of electricity

1 (expressed in kilowatthours sold) in the State  
2 during the prior calendar month and the  
3 denominator of which is the total retail market  
4 sales of electricity (expressed in kilowatthours  
5 sold) in the State by utilities during such prior  
6 month and the sales of electricity (expressed in  
7 kilowatthours sold) in the State by alternative  
8 retail electric suppliers during such prior month  
9 that are subject to the requirements of this  
10 subsection (d) and paragraph (5) of subsection (d)  
11 of Section 16-115 of the Public Utilities Act,  
12 provided that the amount purchased by the utility  
13 in any year will be limited by paragraph (2) of  
14 this subsection (d); and

15 (iv) be considered pre-existing contracts in  
16 such utility's procurement plans for eligible  
17 retail customers;

18 (C) contract for differences provisions, which  
19 shall:

20 (i) require the utility party to such sourcing  
21 agreement to contract with the initial clean coal  
22 facility in each hour with respect to an amount of  
23 energy equal to all clean coal energy made  
24 available from the initial clean coal facility  
25 during such hour times a fraction, the numerator  
26 of which is such utility's retail market sales of

1 electricity (expressed in kilowatthours sold) in  
2 the utility's service territory in the State  
3 during the prior calendar month and the  
4 denominator of which is the total retail market  
5 sales of electricity (expressed in kilowatthours  
6 sold) in the State by utilities during such prior  
7 month and the sales of electricity (expressed in  
8 kilowatthours sold) in the State by alternative  
9 retail electric suppliers during such prior month  
10 that are subject to the requirements of this  
11 subsection (d) and paragraph (5) of subsection (d)  
12 of Section 16-115 of the Public Utilities Act,  
13 provided that the amount paid by the utility in  
14 any year will be limited by paragraph (2) of this  
15 subsection (d);

16 (ii) provide that the utility's payment  
17 obligation in respect of the quantity of  
18 electricity determined pursuant to the preceding  
19 clause (i) shall be limited to an amount equal to  
20 (1) the difference between the contract price  
21 determined pursuant to subparagraph (A) of  
22 paragraph (3) of this subsection (d) and the  
23 day-ahead price for electricity delivered to the  
24 regional transmission organization market of the  
25 utility that is party to such sourcing agreement  
26 (or any successor delivery point at which such

1 utility's supply obligations are financially  
2 settled on an hourly basis) (the "reference  
3 price") on the day preceding the day on which the  
4 electricity is delivered to the initial clean coal  
5 facility busbar, multiplied by (2) the quantity of  
6 electricity determined pursuant to the preceding  
7 clause (i); and

8 (iii) not require the utility to take physical  
9 delivery of the electricity produced by the  
10 facility;

11 (D) general provisions, which shall:

12 (i) specify a term of no more than 30 years,  
13 commencing on the commercial operation date of the  
14 facility;

15 (ii) provide that utilities shall maintain  
16 adequate records documenting purchases under the  
17 sourcing agreements entered into to comply with  
18 this subsection (d) and shall file an accounting  
19 with the load forecast that must be filed with the  
20 Agency by July 15 of each year, in accordance with  
21 subsection (d) of Section 16-111.5 of the Public  
22 Utilities Act;

23 (iii) provide that all costs associated with  
24 the initial clean coal facility will be  
25 periodically reported to the Federal Energy  
26 Regulatory Commission and to purchasers in

1           accordance with applicable laws governing  
2           cost-based wholesale power contracts;

3           (iv) permit the Illinois Power Agency to  
4           assume ownership of the initial clean coal  
5           facility, without monetary consideration and  
6           otherwise on reasonable terms acceptable to the  
7           Agency, if the Agency so requests no less than 3  
8           years prior to the end of the stated contract  
9           term;

10          (v) require the owner of the initial clean  
11          coal facility to provide documentation to the  
12          Commission each year, starting in the facility's  
13          first year of commercial operation, accurately  
14          reporting the quantity of carbon emissions from  
15          the facility that have been captured and  
16          sequestered and report any quantities of carbon  
17          released from the site or sites at which carbon  
18          emissions were sequestered in prior years, based  
19          on continuous monitoring of such sites. If, in any  
20          year after the first year of commercial operation,  
21          the owner of the facility fails to demonstrate  
22          that the initial clean coal facility captured and  
23          sequestered at least 50% of the total carbon  
24          emissions that the facility would otherwise emit  
25          or that sequestration of emissions from prior  
26          years has failed, resulting in the release of

1 carbon dioxide into the atmosphere, the owner of  
2 the facility must offset excess emissions. Any  
3 such carbon offsets must be permanent, additional,  
4 verifiable, real, located within the State of  
5 Illinois, and legally and practicably enforceable.  
6 The cost of such offsets for the facility that are  
7 not recoverable shall not exceed \$15 million in  
8 any given year. No costs of any such purchases of  
9 carbon offsets may be recovered from a utility or  
10 its customers. All carbon offsets purchased for  
11 this purpose and any carbon emission credits  
12 associated with sequestration of carbon from the  
13 facility must be permanently retired. The initial  
14 clean coal facility shall not forfeit its  
15 designation as a clean coal facility if the  
16 facility fails to fully comply with the applicable  
17 carbon sequestration requirements in any given  
18 year, provided the requisite offsets are  
19 purchased. However, the Attorney General, on  
20 behalf of the People of the State of Illinois, may  
21 specifically enforce the facility's sequestration  
22 requirement and the other terms of this contract  
23 provision. Compliance with the sequestration  
24 requirements and offset purchase requirements  
25 specified in paragraph (3) of this subsection (d)  
26 shall be reviewed annually by an independent



1 expert retained by the owner of the initial clean  
2 coal facility, with the advance written approval  
3 of the Attorney General. The Commission may, in  
4 the course of the review specified in item (vii),  
5 reduce the allowable return on equity for the  
6 facility if the facility willfully fails to comply  
7 with the carbon capture and sequestration  
8 requirements set forth in this item (v);

9 (vi) include limits on, and accordingly  
10 provide for modification of, the amount the  
11 utility is required to source under the sourcing  
12 agreement consistent with paragraph (2) of this  
13 subsection (d);

14 (vii) require Commission review: (1) to  
15 determine the justness, reasonableness, and  
16 prudence of the inputs to the formula referenced  
17 in subparagraphs (A)(i) through (A)(iii) of  
18 paragraph (3) of this subsection (d), prior to an  
19 adjustment in those inputs including, without  
20 limitation, the capital structure and return on  
21 equity, fuel costs, and other operations and  
22 maintenance costs and (2) to approve the costs to  
23 be passed through to customers under the sourcing  
24 agreement by which the utility satisfies its  
25 statutory obligations. Commission review shall  
26 occur no less than every 3 years, regardless of

1           whether any adjustments have been proposed, and  
2           shall be completed within 9 months;

3           (viii) limit the utility's obligation to such  
4           amount as the utility is allowed to recover  
5           through tariffs filed with the Commission,  
6           provided that neither the clean coal facility nor  
7           the utility waives any right to assert federal  
8           pre-emption or any other argument in response to a  
9           purported disallowance of recovery costs;

10          (ix) limit the utility's or alternative retail  
11          electric supplier's obligation to incur any  
12          liability until such time as the facility is in  
13          commercial operation and generating power and  
14          energy and such power and energy is being  
15          delivered to the facility busbar;

16          (x) provide that the owner or owners of the  
17          initial clean coal facility, which is the  
18          counterparty to such sourcing agreement, shall  
19          have the right from time to time to elect whether  
20          the obligations of the utility party thereto shall  
21          be governed by the power purchase provisions or  
22          the contract for differences provisions;

23          (xi) append documentation showing that the  
24          formula rate and contract, insofar as they relate  
25          to the power purchase provisions, have been  
26          approved by the Federal Energy Regulatory

1 Commission pursuant to Section 205 of the Federal  
2 Power Act;

3 (xii) provide that any changes to the terms of  
4 the contract, insofar as such changes relate to  
5 the power purchase provisions, are subject to  
6 review under the public interest standard applied  
7 by the Federal Energy Regulatory Commission  
8 pursuant to Sections 205 and 206 of the Federal  
9 Power Act; and

10 (xiii) conform with customary lender  
11 requirements in power purchase agreements used as  
12 the basis for financing non-utility generators.

13 (4) Effective date of sourcing agreements with the  
14 initial clean coal facility. Any proposed sourcing  
15 agreement with the initial clean coal facility shall not  
16 become effective unless the following reports are prepared  
17 and submitted and authorizations and approvals obtained:

18 (i) Facility cost report. The owner of the initial  
19 clean coal facility shall submit to the Commission,  
20 the Agency, and the General Assembly a front-end  
21 engineering and design study, a facility cost report,  
22 method of financing (including but not limited to  
23 structure and associated costs), and an operating and  
24 maintenance cost quote for the facility (collectively  
25 "facility cost report"), which shall be prepared in  
26 accordance with the requirements of this paragraph (4)

1 of subsection (d) of this Section, and shall provide  
2 the Commission and the Agency access to the work  
3 papers, relied upon documents, and any other backup  
4 documentation related to the facility cost report.

5 (ii) Commission report. Within 6 months following  
6 receipt of the facility cost report, the Commission,  
7 in consultation with the Agency, shall submit a report  
8 to the General Assembly setting forth its analysis of  
9 the facility cost report. Such report shall include,  
10 but not be limited to, a comparison of the costs  
11 associated with electricity generated by the initial  
12 clean coal facility to the costs associated with  
13 electricity generated by other types of generation  
14 facilities, an analysis of the rate impacts on  
15 residential and small business customers over the life  
16 of the sourcing agreements, and an analysis of the  
17 likelihood that the initial clean coal facility will  
18 commence commercial operation by and be delivering  
19 power to the facility's busbar by 2016. To assist in  
20 the preparation of its report, the Commission, in  
21 consultation with the Agency, may hire one or more  
22 experts or consultants, the costs of which shall be  
23 paid for by the owner of the initial clean coal  
24 facility. The Commission and Agency may begin the  
25 process of selecting such experts or consultants prior  
26 to receipt of the facility cost report.

1           (iii) General Assembly approval. The proposed  
2           sourcing agreements shall not take effect unless,  
3           based on the facility cost report and the Commission's  
4           report, the General Assembly enacts authorizing  
5           legislation approving (A) the projected price, stated  
6           in cents per kilowatthour, to be charged for  
7           electricity generated by the initial clean coal  
8           facility, (B) the projected impact on residential and  
9           small business customers' bills over the life of the  
10          sourcing agreements, and (C) the maximum allowable  
11          return on equity for the project; and

12          (iv) Commission review. If the General Assembly  
13          enacts authorizing legislation pursuant to  
14          subparagraph (iii) approving a sourcing agreement, the  
15          Commission shall, within 90 days of such enactment,  
16          complete a review of such sourcing agreement. During  
17          such time period, the Commission shall implement any  
18          directive of the General Assembly, resolve any  
19          disputes between the parties to the sourcing agreement  
20          concerning the terms of such agreement, approve the  
21          form of such agreement, and issue an order finding  
22          that the sourcing agreement is prudent and reasonable.  
23          The facility cost report shall be prepared as follows:

24               (A) The facility cost report shall be prepared by  
25               duly licensed engineering and construction firms  
26               detailing the estimated capital costs payable to one

1 or more contractors or suppliers for the engineering,  
2 procurement and construction of the components  
3 comprising the initial clean coal facility and the  
4 estimated costs of operation and maintenance of the  
5 facility. The facility cost report shall include:

6 (i) an estimate of the capital cost of the  
7 core plant based on one or more front end  
8 engineering and design studies for the  
9 gasification island and related facilities. The  
10 core plant shall include all civil, structural,  
11 mechanical, electrical, control, and safety  
12 systems.

13 (ii) an estimate of the capital cost of the  
14 balance of the plant, including any capital costs  
15 associated with sequestration of carbon dioxide  
16 emissions and all interconnects and interfaces  
17 required to operate the facility, such as  
18 transmission of electricity, construction or  
19 backfeed power supply, pipelines to transport  
20 substitute natural gas or carbon dioxide, potable  
21 water supply, natural gas supply, water supply,  
22 water discharge, landfill, access roads, and coal  
23 delivery.

24 The quoted construction costs shall be expressed  
25 in nominal dollars as of the date that the quote is  
26 prepared and shall include capitalized financing costs

1 during construction, taxes, insurance, and other  
2 owner's costs, and an assumed escalation in materials  
3 and labor beyond the date as of which the construction  
4 cost quote is expressed.

5 (B) The front end engineering and design study for  
6 the gasification island and the cost study for the  
7 balance of plant shall include sufficient design work  
8 to permit quantification of major categories of  
9 materials, commodities and labor hours, and receipt of  
10 quotes from vendors of major equipment required to  
11 construct and operate the clean coal facility.

12 (C) The facility cost report shall also include an  
13 operating and maintenance cost quote that will provide  
14 the estimated cost of delivered fuel, personnel,  
15 maintenance contracts, chemicals, catalysts,  
16 consumables, spares, and other fixed and variable  
17 operations and maintenance costs. The delivered fuel  
18 cost estimate will be provided by a recognized third  
19 party expert or experts in the fuel and transportation  
20 industries. The balance of the operating and  
21 maintenance cost quote, excluding delivered fuel  
22 costs, will be developed based on the inputs provided  
23 by duly licensed engineering and construction firms  
24 performing the construction cost quote, potential  
25 vendors under long-term service agreements and plant  
26 operating agreements, or recognized third party plant

1 operator or operators.

2 The operating and maintenance cost quote  
3 (including the cost of the front end engineering and  
4 design study) shall be expressed in nominal dollars as  
5 of the date that the quote is prepared and shall  
6 include taxes, insurance, and other owner's costs, and  
7 an assumed escalation in materials and labor beyond  
8 the date as of which the operating and maintenance  
9 cost quote is expressed.

10 (D) The facility cost report shall also include an  
11 analysis of the initial clean coal facility's ability  
12 to deliver power and energy into the applicable  
13 regional transmission organization markets and an  
14 analysis of the expected capacity factor for the  
15 initial clean coal facility.

16 (E) Amounts paid to third parties unrelated to the  
17 owner or owners of the initial clean coal facility to  
18 prepare the core plant construction cost quote,  
19 including the front end engineering and design study,  
20 and the operating and maintenance cost quote will be  
21 reimbursed through Coal Development Bonds.

22 (5) Re-powering and retrofitting coal-fired power  
23 plants previously owned by Illinois utilities to qualify  
24 as clean coal facilities. During the 2009 procurement  
25 planning process and thereafter, the Agency and the  
26 Commission shall consider sourcing agreements covering



1 electricity generated by power plants that were previously  
2 owned by Illinois utilities and that have been or will be  
3 converted into clean coal facilities, as defined by  
4 Section 1-10 of this Act. Pursuant to such procurement  
5 planning process, the owners of such facilities may  
6 propose to the Agency sourcing agreements with utilities  
7 and alternative retail electric suppliers required to  
8 comply with subsection (d) of this Section and item (5) of  
9 subsection (d) of Section 16-115 of the Public Utilities  
10 Act, covering electricity generated by such facilities. In  
11 the case of sourcing agreements that are power purchase  
12 agreements, the contract price for electricity sales shall  
13 be established on a cost of service basis. In the case of  
14 sourcing agreements that are contracts for differences,  
15 the contract price from which the reference price is  
16 subtracted shall be established on a cost of service  
17 basis. The Agency and the Commission may approve any such  
18 utility sourcing agreements that do not exceed cost-based  
19 benchmarks developed by the procurement administrator, in  
20 consultation with the Commission staff, Agency staff and  
21 the procurement monitor, subject to Commission review and  
22 approval. The Commission shall have authority to inspect  
23 all books and records associated with these clean coal  
24 facilities during the term of any such contract.

25 (6) Costs incurred under this subsection (d) or  
26 pursuant to a contract entered into under this subsection

1 (d) shall be deemed prudently incurred and reasonable in  
2 amount and the electric utility shall be entitled to full  
3 cost recovery pursuant to the tariffs filed with the  
4 Commission.

5 (d-5) Zero emission standard.

6 (1) Beginning with the delivery year commencing on  
7 June 1, 2017, the Agency shall, for electric utilities  
8 that serve at least 100,000 retail customers in this  
9 State, procure contracts with zero emission facilities  
10 that are reasonably capable of generating cost-effective  
11 zero emission credits in an amount approximately equal to  
12 16% of the actual amount of electricity delivered by each  
13 electric utility to retail customers in the State during  
14 calendar year 2014. For an electric utility serving fewer  
15 than 100,000 retail customers in this State that  
16 requested, under Section 16-111.5 of the Public Utilities  
17 Act, that the Agency procure power and energy for all or a  
18 portion of the utility's Illinois load for the delivery  
19 year commencing June 1, 2016, the Agency shall procure  
20 contracts with zero emission facilities that are  
21 reasonably capable of generating cost-effective zero  
22 emission credits in an amount approximately equal to 16%  
23 of the portion of power and energy to be procured by the  
24 Agency for the utility. The duration of the contracts  
25 procured under this subsection (d-5) shall be for a term  
26 of 10 years ending May 31, 2027. The quantity of zero

1 emission credits to be procured under the contracts shall  
2 be all of the zero emission credits generated by the zero  
3 emission facility in each delivery year; however, if the  
4 zero emission facility is owned by more than one entity,  
5 then the quantity of zero emission credits to be procured  
6 under the contracts shall be the amount of zero emission  
7 credits that are generated from the portion of the zero  
8 emission facility that is owned by the winning supplier.

9 The 16% value identified in this paragraph (1) is the  
10 average of the percentage targets in subparagraph (B) of  
11 paragraph (1) of subsection (c) of this Section for the 5  
12 delivery years beginning June 1, 2017.

13 The procurement process shall be subject to the  
14 following provisions:

15 (A) Those zero emission facilities that intend to  
16 participate in the procurement shall submit to the  
17 Agency the following eligibility information for each  
18 zero emission facility on or before the date  
19 established by the Agency:

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

22 (ii) the amount of power generated annually  
23 for each of the years 2005 through 2015, and the  
24 projected zero emission credits to be generated  
25 over the remaining useful life of the zero  
26 emission facility, which shall be used to

1 determine the capability of each facility;

2 (iii) the annual zero emission facility cost  
3 projections, expressed on a per megawatthour  
4 basis, over the next 6 delivery years, which shall  
5 include the following: operation and maintenance  
6 expenses; fully allocated overhead costs, which  
7 shall be allocated using the methodology developed  
8 by the Institute for Nuclear Power Operations;  
9 fuel expenditures; non-fuel capital expenditures;  
10 spent fuel expenditures; a return on working  
11 capital; the cost of operational and market risks  
12 that could be avoided by ceasing operation; and  
13 any other costs necessary for continued  
14 operations, provided that "necessary" means, for  
15 purposes of this item (iii), that the costs could  
16 reasonably be avoided only by ceasing operations  
17 of the zero emission facility; and

18 (iv) a commitment to continue operating, for  
19 the duration of the contract or contracts executed  
20 under the procurement held under this subsection  
21 (d-5), the zero emission facility that produces  
22 the zero emission credits to be procured in the  
23 procurement.

24 The information described in item (iii) of this  
25 subparagraph (A) may be submitted on a confidential  
26 basis and shall be treated and maintained by the

1 Agency, the procurement administrator, and the  
2 Commission as confidential and proprietary and exempt  
3 from disclosure under subparagraphs (a) and (g) of  
4 paragraph (1) of Section 7 of the Freedom of  
5 Information Act. The Office of Attorney General shall  
6 have access to, and maintain the confidentiality of,  
7 such information pursuant to Section 6.5 of the  
8 Attorney General Act.

9 (B) The price for each zero emission credit  
10 procured under this subsection (d-5) for each delivery  
11 year shall be in an amount that equals the Social Cost  
12 of Carbon, expressed on a price per megawatthour  
13 basis. However, to ensure that the procurement remains  
14 affordable to retail customers in this State if  
15 electricity prices increase, the price in an  
16 applicable delivery year shall be reduced below the  
17 Social Cost of Carbon by the amount ("Price  
18 Adjustment") by which the market price index for the  
19 applicable delivery year exceeds the baseline market  
20 price index for the consecutive 12-month period ending  
21 May 31, 2016. If the Price Adjustment is greater than  
22 or equal to the Social Cost of Carbon in an applicable  
23 delivery year, then no payments shall be due in that  
24 delivery year. The components of this calculation are  
25 defined as follows:

26 (i) Social Cost of Carbon: The Social Cost of

1 Carbon is \$16.50 per megawatthour, which is based  
2 on the U.S. Interagency Working Group on Social  
3 Cost of Carbon's price in the August 2016  
4 Technical Update using a 3% discount rate,  
5 adjusted for inflation for each year of the  
6 program. Beginning with the delivery year  
7 commencing June 1, 2023, the price per  
8 megawatthour shall increase by \$1 per  
9 megawatthour, and continue to increase by an  
10 additional \$1 per megawatthour each delivery year  
11 thereafter.

12 (ii) Baseline market price index: The baseline  
13 market price index for the consecutive 12-month  
14 period ending May 31, 2016 is \$31.40 per  
15 megawatthour, which is based on the sum of (aa)  
16 the average day-ahead energy price across all  
17 hours of such 12-month period at the PJM  
18 Interconnection LLC Northern Illinois Hub, (bb)  
19 50% multiplied by the Base Residual Auction, or  
20 its successor, capacity price for the rest of the  
21 RTO zone group determined by PJM Interconnection  
22 LLC, divided by 24 hours per day, and (cc) 50%  
23 multiplied by the Planning Resource Auction, or  
24 its successor, capacity price for Zone 4  
25 determined by the Midcontinent Independent System  
26 Operator, Inc., divided by 24 hours per day.

1 (iii) Market price index: The market price  
2 index for a delivery year shall be the sum of  
3 projected energy prices and projected capacity  
4 prices determined as follows:

5 (aa) Projected energy prices: the  
6 projected energy prices for the applicable  
7 delivery year shall be calculated once for the  
8 year using the forward market price for the  
9 PJM Interconnection, LLC Northern Illinois  
10 Hub. The forward market price shall be  
11 calculated as follows: the energy forward  
12 prices for each month of the applicable  
13 delivery year averaged for each trade date  
14 during the calendar year immediately preceding  
15 that delivery year to produce a single energy  
16 forward price for the delivery year. The  
17 forward market price calculation shall use  
18 data published by the Intercontinental  
19 Exchange, or its successor.

20 (bb) Projected capacity prices:

21 (I) For the delivery years commencing  
22 June 1, 2017, June 1, 2018, and June 1,  
23 2019, the projected capacity price shall  
24 be equal to the sum of (1) 50% multiplied  
25 by the Base Residual Auction, or its  
26 successor, price for the rest of the RTO

1 zone group as determined by PJM  
2 Interconnection LLC, divided by 24 hours  
3 per day and, (2) 50% multiplied by the  
4 resource auction price determined in the  
5 resource auction administered by the  
6 Midcontinent Independent System Operator,  
7 Inc., in which the largest percentage of  
8 load cleared for Local Resource Zone 4,  
9 divided by 24 hours per day, and where  
10 such price is determined by the  
11 Midcontinent Independent System Operator,  
12 Inc.

13 (II) For the delivery year commencing  
14 June 1, 2020, and each year thereafter,  
15 the projected capacity price shall be  
16 equal to the sum of (1) 50% multiplied by  
17 the Base Residual Auction, or its  
18 successor, price for the ComEd zone as  
19 determined by PJM Interconnection LLC,  
20 divided by 24 hours per day, and (2) 50%  
21 multiplied by the resource auction price  
22 determined in the resource auction  
23 administered by the Midcontinent  
24 Independent System Operator, Inc., in  
25 which the largest percentage of load  
26 cleared for Local Resource Zone 4, divided



1 by 24 hours per day, and where such price  
2 is determined by the Midcontinent  
3 Independent System Operator, Inc.

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

5 "Rest of the RTO" and "ComEd Zone" shall have  
6 the meaning ascribed to them by PJM  
7 Interconnection, LLC.

8 "RTO" means regional transmission  
9 organization.

10 (C) No later than 45 days after June 1, 2017 (the  
11 effective date of Public Act 99-906), the Agency shall  
12 publish its proposed zero emission standard  
13 procurement plan. The plan shall be consistent with  
14 the provisions of this paragraph (1) and shall provide  
15 that winning bids shall be selected based on public  
16 interest criteria that include, but are not limited  
17 to, minimizing carbon dioxide emissions that result  
18 from electricity consumed in Illinois and minimizing  
19 sulfur dioxide, nitrogen oxide, and particulate matter  
20 emissions that adversely affect the citizens of this  
21 State. In particular, the selection of winning bids  
22 shall take into account the incremental environmental  
23 benefits resulting from the procurement, such as any  
24 existing environmental benefits that are preserved by  
25 the procurements held under Public Act 99-906 and  
26 would cease to exist if the procurements were not

1 held, including the preservation of zero emission  
2 facilities. The plan shall also describe in detail how  
3 each public interest factor shall be considered and  
4 weighted in the bid selection process to ensure that  
5 the public interest criteria are applied to the  
6 procurement and given full effect.

7 For purposes of developing the plan, the Agency  
8 shall consider any reports issued by a State agency,  
9 board, or commission under House Resolution 1146 of  
10 the 98th General Assembly and paragraph (4) of  
11 subsection (d) of this Section, as well as publicly  
12 available analyses and studies performed by or for  
13 regional transmission organizations that serve the  
14 State and their independent market monitors.

15 Upon publishing of the zero emission standard  
16 procurement plan, copies of the plan shall be posted  
17 and made publicly available on the Agency's website.  
18 All interested parties shall have 10 days following  
19 the date of posting to provide comment to the Agency on  
20 the plan. All comments shall be posted to the Agency's  
21 website. Following the end of the comment period, but  
22 no more than 60 days later than June 1, 2017 (the  
23 effective date of Public Act 99-906), the Agency shall  
24 revise the plan as necessary based on the comments  
25 received and file its zero emission standard  
26 procurement plan with the Commission.

1           If the Commission determines that the plan will  
2 result in the procurement of cost-effective zero  
3 emission credits, then the Commission shall, after  
4 notice and hearing, but no later than 45 days after the  
5 Agency filed the plan, approve the plan or approve  
6 with modification. For purposes of this subsection  
7 (d-5), "cost effective" means the projected costs of  
8 procuring zero emission credits from zero emission  
9 facilities do not cause the limit stated in paragraph  
10 (2) of this subsection to be exceeded.

11           (C-5) As part of the Commission's review and  
12 acceptance or rejection of the procurement results,  
13 the Commission shall, in its public notice of  
14 successful bidders:

15           (i) identify how the winning bids satisfy the  
16 public interest criteria described in subparagraph  
17 (C) of this paragraph (1) of minimizing carbon  
18 dioxide emissions that result from electricity  
19 consumed in Illinois and minimizing sulfur  
20 dioxide, nitrogen oxide, and particulate matter  
21 emissions that adversely affect the citizens of  
22 this State;

23           (ii) specifically address how the selection of  
24 winning bids takes into account the incremental  
25 environmental benefits resulting from the  
26 procurement, including any existing environmental

1 benefits that are preserved by the procurements  
2 held under Public Act 99-906 and would have ceased  
3 to exist if the procurements had not been held,  
4 such as the preservation of zero emission  
5 facilities;

6 (iii) quantify the environmental benefit of  
7 preserving the resources identified in item (ii)  
8 of this subparagraph (C-5), including the  
9 following:

10 (aa) the value of avoided greenhouse gas  
11 emissions measured as the product of the zero  
12 emission facilities' output over the contract  
13 term multiplied by the U.S. Environmental  
14 Protection Agency eGrid subregion carbon  
15 dioxide emission rate and the U.S. Interagency  
16 Working Group on Social Cost of Carbon's price  
17 in the August 2016 Technical Update using a 3%  
18 discount rate, adjusted for inflation for each  
19 delivery year; and

20 (bb) the costs of replacement with other  
21 zero carbon dioxide resources, including wind  
22 and photovoltaic, based upon the simple  
23 average of the following:

24 (I) the price, or if there is more  
25 than one price, the average of the prices,  
26 paid for renewable energy credits from new

1 utility-scale wind projects in the  
2 procurement events specified in item (i)  
3 of subparagraph (G) of paragraph (1) of  
4 subsection (c) of this Section; and

5 (II) the price, or if there is more  
6 than one price, the average of the prices,  
7 paid for renewable energy credits from new  
8 utility-scale solar projects and  
9 brownfield site photovoltaic projects in  
10 the procurement events specified in item  
11 (ii) of subparagraph (G) of paragraph (1)  
12 of subsection (c) of this Section and,  
13 after January 1, 2015, renewable energy  
14 credits from photovoltaic distributed  
15 generation projects in procurement events  
16 held under subsection (c) of this Section.

17 Each utility shall enter into binding contractual  
18 arrangements with the winning suppliers.

19 The procurement described in this subsection  
20 (d-5), including, but not limited to, the execution of  
21 all contracts procured, shall be completed no later  
22 than May 10, 2017. Based on the effective date of  
23 Public Act 99-906, the Agency and Commission may, as  
24 appropriate, modify the various dates and timelines  
25 under this subparagraph and subparagraphs (C) and (D)  
26 of this paragraph (1). The procurement and plan

1 approval processes required by this subsection (d-5)  
2 shall be conducted in conjunction with the procurement  
3 and plan approval processes required by subsection (c)  
4 of this Section and Section 16-111.5 of the Public  
5 Utilities Act, to the extent practicable.  
6 Notwithstanding whether a procurement event is  
7 conducted under Section 16-111.5 of the Public  
8 Utilities Act, the Agency shall immediately initiate a  
9 procurement process on June 1, 2017 (the effective  
10 date of Public Act 99-906).

11 (D) Following the procurement event described in  
12 this paragraph (1) and consistent with subparagraph  
13 (B) of this paragraph (1), the Agency shall calculate  
14 the payments to be made under each contract for the  
15 next delivery year based on the market price index for  
16 that delivery year. The Agency shall publish the  
17 payment calculations no later than May 25, 2017 and  
18 every May 25 thereafter.

19 (E) Notwithstanding the requirements of this  
20 subsection (d-5), the contracts executed under this  
21 subsection (d-5) shall provide that the zero emission  
22 facility may, as applicable, suspend or terminate  
23 performance under the contracts in the following  
24 instances:

25 (i) A zero emission facility shall be excused  
26 from its performance under the contract for any

1 cause beyond the control of the resource,  
2 including, but not restricted to, acts of God,  
3 flood, drought, earthquake, storm, fire,  
4 lightning, epidemic, war, riot, civil disturbance  
5 or disobedience, labor dispute, labor or material  
6 shortage, sabotage, acts of public enemy,  
7 explosions, orders, regulations or restrictions  
8 imposed by governmental, military, or lawfully  
9 established civilian authorities, which, in any of  
10 the foregoing cases, by exercise of commercially  
11 reasonable efforts the zero emission facility  
12 could not reasonably have been expected to avoid,  
13 and which, by the exercise of commercially  
14 reasonable efforts, it has been unable to  
15 overcome. In such event, the zero emission  
16 facility shall be excused from performance for the  
17 duration of the event, including, but not limited  
18 to, delivery of zero emission credits, and no  
19 payment shall be due to the zero emission facility  
20 during the duration of the event.

21 (ii) A zero emission facility shall be  
22 permitted to terminate the contract if legislation  
23 is enacted into law by the General Assembly that  
24 imposes or authorizes a new tax, special  
25 assessment, or fee on the generation of  
26 electricity, the ownership or leasehold of a

1           generating unit, or the privilege or occupation of  
2           such generation, ownership, or leasehold of  
3           generation units by a zero emission facility.  
4           However, the provisions of this item (ii) do not  
5           apply to any generally applicable tax, special  
6           assessment or fee, or requirements imposed by  
7           federal law.

8           (iii) A zero emission facility shall be  
9           permitted to terminate the contract in the event  
10          that the resource requires capital expenditures in  
11          excess of \$40,000,000 that were neither known nor  
12          reasonably foreseeable at the time it executed the  
13          contract and that a prudent owner or operator of  
14          such resource would not undertake.

15          (iv) A zero emission facility shall be  
16          permitted to terminate the contract in the event  
17          the Nuclear Regulatory Commission terminates the  
18          resource's license.

19          (F) If the zero emission facility elects to  
20          terminate a contract under subparagraph (E) of this  
21          paragraph (1), then the Commission shall reopen the  
22          docket in which the Commission approved the zero  
23          emission standard procurement plan under subparagraph  
24          (C) of this paragraph (1) and, after notice and  
25          hearing, enter an order acknowledging the contract  
26          termination election if such termination is consistent



1 with the provisions of this subsection (d-5).

2 (2) For purposes of this subsection (d-5), the amount  
3 paid per kilowatthour means the total amount paid for  
4 electric service expressed on a per kilowatthour basis.  
5 For purposes of this subsection (d-5), the total amount  
6 paid for electric service includes, without limitation,  
7 amounts paid for supply, transmission, distribution,  
8 surcharges, and add-on taxes.

9 Notwithstanding the requirements of this subsection  
10 (d-5), the contracts executed under this subsection (d-5)  
11 shall provide that the total of zero emission credits  
12 procured under a procurement plan shall be subject to the  
13 limitations of this paragraph (2). For each delivery year,  
14 the contractual volume receiving payments in such year  
15 shall be reduced for all retail customers based on the  
16 amount necessary to limit the net increase that delivery  
17 year to the costs of those credits included in the amounts  
18 paid by eligible retail customers in connection with  
19 electric service to no more than 1.65% of the amount paid  
20 per kilowatthour by eligible retail customers during the  
21 year ending May 31, 2009. The result of this computation  
22 shall apply to and reduce the procurement for all retail  
23 customers, and all those customers shall pay the same  
24 single, uniform cents per kilowatthour charge under  
25 subsection (k) of Section 16-108 of the Public Utilities  
26 Act. To arrive at a maximum dollar amount of zero emission

1 credits to be paid for the particular delivery year, the  
2 resulting per kilowatthour amount shall be applied to the  
3 actual amount of kilowatthours of electricity delivered by  
4 the electric utility in the delivery year immediately  
5 prior to the procurement, to all retail customers in its  
6 service territory. Unpaid contractual volume for any  
7 delivery year shall be paid in any subsequent delivery  
8 year in which such payments can be made without exceeding  
9 the amount specified in this paragraph (2). The  
10 calculations required by this paragraph (2) shall be made  
11 only once for each procurement plan year. Once the  
12 determination as to the amount of zero emission credits to  
13 be paid is made based on the calculations set forth in this  
14 paragraph (2), no subsequent rate impact determinations  
15 shall be made and no adjustments to those contract amounts  
16 shall be allowed. All costs incurred under those contracts  
17 and in implementing this subsection (d-5) shall be  
18 recovered by the electric utility as provided in this  
19 Section.

20 No later than June 30, 2019, the Commission shall  
21 review the limitation on the amount of zero emission  
22 credits procured under this subsection (d-5) and report to  
23 the General Assembly its findings as to whether that  
24 limitation unduly constrains the procurement of  
25 cost-effective zero emission credits.

26 (3) Six years after the execution of a contract under

1       this subsection (d-5), the Agency shall determine whether  
2       the actual zero emission credit payments received by the  
3       supplier over the 6-year period exceed the Average ZEC  
4       Payment. In addition, at the end of the term of a contract  
5       executed under this subsection (d-5), or at the time, if  
6       any, a zero emission facility's contract is terminated  
7       under subparagraph (E) of paragraph (1) of this subsection  
8       (d-5), then the Agency shall determine whether the actual  
9       zero emission credit payments received by the supplier  
10      over the term of the contract exceed the Average ZEC  
11      Payment, after taking into account any amounts previously  
12      credited back to the utility under this paragraph (3). If  
13      the Agency determines that the actual zero emission credit  
14      payments received by the supplier over the relevant period  
15      exceed the Average ZEC Payment, then the supplier shall  
16      credit the difference back to the utility. The amount of  
17      the credit shall be remitted to the applicable electric  
18      utility no later than 120 days after the Agency's  
19      determination, which the utility shall reflect as a credit  
20      on its retail customer bills as soon as practicable;  
21      however, the credit remitted to the utility shall not  
22      exceed the total amount of payments received by the  
23      facility under its contract.

24           For purposes of this Section, the Average ZEC Payment  
25      shall be calculated by multiplying the quantity of zero  
26      emission credits delivered under the contract times the

1 average contract price. The average contract price shall  
2 be determined by subtracting the amount calculated under  
3 subparagraph (B) of this paragraph (3) from the amount  
4 calculated under subparagraph (A) of this paragraph (3),  
5 as follows:

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

9 (B) The average of the market price indices, as  
10 defined in subparagraph (B) of paragraph (1) of this  
11 subsection (d-5), during the term of the contract,  
12 minus the baseline market price index, as defined in  
13 subparagraph (B) of paragraph (1) of this subsection  
14 (d-5).

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

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

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

23 (6) Electric utilities shall be entitled to recover  
24 all of the costs associated with the procurement of zero  
25 emission credits through an automatic adjustment clause  
26 tariff in accordance with subsection (k) and (m) of

1 Section 16-108 of the Public Utilities Act, and the  
2 contracts executed under this subsection (d-5) shall  
3 provide that the utilities' payment obligations under such  
4 contracts shall be reduced if an adjustment is required  
5 under subsection (m) of Section 16-108 of the Public  
6 Utilities Act.

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

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

11 (1) The General Assembly finds:

12 (A) The health, welfare, and prosperity of all  
13 Illinois citizens require that the State of Illinois act  
14 to avoid and not increase carbon emissions from electric  
15 generation sources while continuing to ensure affordable,  
16 stable, and reliable electricity to all citizens.

17 (B) Absent immediate action by the State to preserve  
18 existing carbon-free energy resources, those resources may  
19 retire, and the electric generation needs of Illinois'  
20 retail customers may be met instead by facilities that  
21 emit significant amounts of carbon pollution and other  
22 harmful air pollutants at a high social and economic cost  
23 until Illinois is able to develop other forms of clean  
24 energy.

25 (C) The General Assembly finds that nuclear power  
26 generation is necessary for the State's transition to 100%

1 clean energy, and ensuring continued operation of nuclear  
2 plants advances environmental and public health interests  
3 through providing carbon-free electricity while reducing  
4 the air pollution profile of the Illinois energy  
5 generation fleet.

6 (D) The clean energy attributes of nuclear generation  
7 facilities support the State in its efforts to achieve  
8 100% clean energy.

9 (E) The State currently invests in various forms of  
10 clean energy, including, but not limited to, renewable  
11 energy, energy efficiency, and low-emission vehicles,  
12 among others.

13 (F) The Environmental Protection Agency commissioned  
14 an independent audit which provided a detailed assessment  
15 of the financial condition of the Illinois nuclear fleet  
16 to evaluate its financial viability and whether the  
17 environmental benefits of such resources were at risk. The  
18 report identified the risk of losing the environmental  
19 benefits of several specific nuclear units. The report  
20 also identified that the LaSalle County Generating Station  
21 will continue to operate through 2026 and therefore is not  
22 eligible to participate in the carbon mitigation credit  
23 program.

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

1           (H) The procurement of carbon mitigation credits  
2           representing the environmental benefits of carbon-free  
3           generation will further the State's efforts at achieving  
4           100% clean energy and decarbonizing the electricity sector  
5           in a safe, reliable, and affordable manner. Further, the  
6           procurement of carbon emission credits will enhance the  
7           health and welfare of Illinois residents through decreased  
8           reliance on more highly polluting generation.

9           (I) The General Assembly therefore finds it necessary  
10          to establish carbon mitigation credits to ensure decreased  
11          reliance on more carbon-intensive energy resources, for  
12          transitioning to a fully decarbonized electricity sector,  
13          and to help ensure health and welfare of the State's  
14          residents.

15          (2) As used in this subsection:

16          "Baseline costs" means costs used to establish a customer  
17          protection cap that have been evaluated through an independent  
18          audit of a carbon-free energy resource conducted by the  
19          Environmental Protection Agency that evaluated projected  
20          annual costs for operation and maintenance expenses; fully  
21          allocated overhead costs, which shall be allocated using the  
22          methodology developed by the Institute for Nuclear Power  
23          Operations; fuel expenditures; nonfuel capital expenditures;  
24          spent fuel expenditures; a return on working capital; the cost  
25          of operational and market risks that could be avoided by  
26          ceasing operation; and any other costs necessary for continued

1 operations, provided that "necessary" means, for purposes of  
2 this definition, that the costs could reasonably be avoided  
3 only by ceasing operations of the carbon-free energy resource.

4 "Carbon mitigation credit" means a tradable credit that  
5 represents the carbon emission reduction attributes of one  
6 megawatt-hour of energy produced from a carbon-free energy  
7 resource.

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

11 (3) Procurement.

12 (A) Beginning with the delivery year commencing on  
13 June 1, 2022, the Agency shall, for electric utilities  
14 serving at least 3,000,000 retail customers in the State,  
15 seek to procure contracts for no more than approximately  
16 54,500,000 cost-effective carbon mitigation credits from  
17 carbon-free energy resources because such credits are  
18 necessary to support current levels of carbon-free energy  
19 generation and ensure the State meets its carbon dioxide  
20 emissions reduction goals. The Agency shall not make a  
21 partial award of a contract for carbon mitigation credits  
22 covering a fractional amount of a carbon-free energy  
23 resource's projected output.

24 (B) Each carbon-free energy resource that intends to  
25 participate in a procurement shall be required to submit  
26 to the Agency the following information for the resource



1 on or before the date established by the Agency:

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

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

7 (iii) a commitment to be reflected in any contract  
8 entered into pursuant to this subsection (d-10) to  
9 continue operating the carbon-free energy resource at  
10 a capacity factor of at least 88% annually on average  
11 for the duration of the contract or contracts executed  
12 under the procurement held under this subsection  
13 (d-10), except in an instance described in  
14 subparagraph (E) of paragraph (1) of subsection (d-5)  
15 of this Section or made impracticable as a result of  
16 compliance with law or regulation;

17 (iv) financial need and the risk of loss of the  
18 environmental benefits of such resource, which shall  
19 include the following information:

20 (I) the carbon-free energy resource's cost  
21 projections, expressed on a per megawatt-hour  
22 basis, over the next 5 delivery years, which shall  
23 include the following: operation and maintenance  
24 expenses; fully allocated overhead costs, which  
25 shall be allocated using the methodology developed  
26 by the Institute for Nuclear Power Operations;

1 fuel expenditures; nonfuel capital expenditures;  
2 spent fuel expenditures; a return on working  
3 capital; the cost of operational and market risks  
4 that could be avoided by ceasing operation; and  
5 any other costs necessary for continued  
6 operations, provided that "necessary" means, for  
7 purposes of this subitem (I), that the costs could  
8 reasonably be avoided only by ceasing operations  
9 of the carbon-free energy resource; and

10 (II) the carbon-free energy resource's revenue  
11 projections, including energy, capacity, ancillary  
12 services, any other direct State support, known or  
13 anticipated federal attribute credits, known or  
14 anticipated tax credits, and any other direct  
15 federal support.

16 The information described in this subparagraph (B) may  
17 be submitted on a confidential basis and shall be treated  
18 and maintained by the Agency, the procurement  
19 administrator, and the Commission as confidential and  
20 proprietary and exempt from disclosure under subparagraphs  
21 (a) and (g) of paragraph (1) of Section 7 of the Freedom of  
22 Information Act. The Office of the Attorney General shall  
23 have access to, and maintain the confidentiality of, such  
24 information pursuant to Section 6.5 of the Attorney  
25 General Act.

26 (C) The Agency shall solicit bids for the contracts

1 described in this subsection (d-10) from carbon-free  
2 energy resources that have satisfied the requirements of  
3 subparagraph (B) of this paragraph (3). The contracts  
4 procured pursuant to a procurement event shall reflect,  
5 and be subject to, the following terms, requirements, and  
6 limitations:

7 (i) Contracts are for delivery of carbon  
8 mitigation credits, and are not energy or capacity  
9 sales contracts requiring physical delivery. Pursuant  
10 to item (iii), contract payments shall fully deduct  
11 the value of any monetized federal production tax  
12 credits, credits issued pursuant to a federal clean  
13 energy standard, and other federal credits if  
14 applicable.

15 (ii) Contracts for carbon mitigation credits shall  
16 commence with the delivery year beginning on June 1,  
17 2022 and shall be for a term of 5 delivery years  
18 concluding on May 31, 2027.

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

22 (I) one of the following energy price indices,  
23 selected by the bidder at the time of the bid for  
24 the term of the contract:

25 (aa) the weighted-average hourly day-ahead  
26 price for the applicable delivery year at the

1 busbar of all resources procured pursuant to  
2 this subsection (d-10), weighted by actual  
3 production from the resources; or

4 (bb) the projected energy price for the  
5 PJM Interconnection, LLC Northern Illinois Hub  
6 for the applicable delivery year determined  
7 according to subitem (aa) of item (iii) of  
8 subparagraph (B) of paragraph (1) of  
9 subsection (d-5).

10 (II) the Base Residual Auction Capacity Price  
11 for the ComEd zone as determined by PJM  
12 Interconnection, LLC, divided by 24 hours per day,  
13 for the applicable delivery year for the first 3  
14 delivery years, and then any subsequent delivery  
15 years unless the PJM Interconnection, LLC applies  
16 the Minimum Offer Price Rule to participating  
17 carbon-free energy resources because they supply  
18 carbon mitigation credits pursuant to this Section  
19 at which time, upon notice by the carbon-free  
20 energy resource to the Commission and subject to  
21 the Commission's confirmation, the value under  
22 this subitem shall be zero, as further described  
23 in the carbon mitigation credit procurement plan;  
24 and

25 (III) any value of monetized federal tax  
26 credits, direct payments, or similar subsidy

1 provided to the carbon-free energy resource from  
2 any unit of government that is not already  
3 reflected in energy prices.

4 If the price-per-megawatt-hour calculation  
5 performed under item (iii) of this subparagraph (C)  
6 for a given delivery year results in a net positive  
7 value, then the electric utility counterparty to the  
8 contract shall multiply such net value by the  
9 applicable contract quantity and remit the amount to  
10 the supplier.

11 To protect retail customers from retail rate  
12 impacts that may arise upon the initiation of carbon  
13 policy changes, if the price-per-megawatt-hour  
14 calculation performed under item (iii) of this  
15 subparagraph (C) for a given delivery year results in  
16 a net negative value, then the supplier counterparty  
17 to the contract shall multiply such net value by the  
18 applicable contract quantity and remit such amount to  
19 the electric utility counterparty. The electric  
20 utility shall reflect such amounts remitted by  
21 suppliers as a credit on its retail customer bills as  
22 soon as practicable.

23 (iv) To ensure that retail customers in Northern  
24 Illinois do not pay more for carbon mitigation credits  
25 than the value such credits provide, and  
26 notwithstanding the provisions of this subsection

1 (d-10), the Agency shall not accept bids for contracts  
2 that exceed a customer protection cap equal to the  
3 baseline costs of carbon-free energy resources.

4 The baseline costs for the applicable year shall  
5 be the following:

6 (I) For the delivery year beginning June 1,  
7 2022, the baseline costs shall be an amount equal  
8 to \$30.30 per megawatt-hour.

9 (II) For the delivery year beginning June 1,  
10 2023, the baseline costs shall be an amount equal  
11 to \$32.50 per megawatt-hour.

12 (III) For the delivery year beginning June 1,  
13 2024, the baseline costs shall be an amount equal  
14 to \$33.43 per megawatt-hour.

15 (IV) For the delivery year beginning June 1,  
16 2025, the baseline costs shall be an amount equal  
17 to \$33.50 per megawatt-hour.

18 (V) For the delivery year beginning June 1,  
19 2026, the baseline costs shall be an amount equal  
20 to \$34.50 per megawatt-hour.

21 An Environmental Protection Agency consultant  
22 forecast, included in a report issued April 14, 2021,  
23 projects that a carbon-free energy resource has the  
24 opportunity to earn on average approximately \$30.28  
25 per megawatt-hour, for the sale of energy and capacity  
26 during the time period between 2022 and 2027.

1           Therefore, the sale of carbon mitigation credits  
2           provides the opportunity to receive an additional  
3           amount per megawatt-hour in addition to the projected  
4           prices for energy and capacity.

5           Although actual energy and capacity prices may  
6           vary from year-to-year, the General Assembly finds  
7           that this customer protection cap will help ensure  
8           that the cost of carbon mitigation credits will be  
9           less than its value, based upon the social cost of  
10          carbon identified in the Technical Support Document  
11          issued in February 2021 by the U.S. Interagency  
12          Working Group on Social Cost of Greenhouse Gases and  
13          the PJM Interconnection, LLC carbon dioxide marginal  
14          emission rate for 2020, and that a carbon-free energy  
15          resource receiving payment for carbon mitigation  
16          credits receives no more than necessary to keep those  
17          units in operation.

18          (D) No later than 7 days after the effective date of  
19          this amendatory Act of the 102nd General Assembly, the  
20          Agency shall publish its proposed carbon mitigation credit  
21          procurement plan. The Plan shall provide that winning bids  
22          shall be selected by taking into consideration which  
23          resources best match public interest criteria that  
24          include, but are not limited to, minimizing carbon dioxide  
25          emissions that result from electricity consumed in  
26          Illinois and minimizing sulfur dioxide, nitrogen oxide,

1 and particulate matter emissions that adversely affect the  
2 citizens of this State. The selection of winning bids  
3 shall also take into account the incremental environmental  
4 benefits resulting from the procurement or procurements,  
5 such as any existing environmental benefits that are  
6 preserved by a procurement held under this subsection  
7 (d-10) and would cease to exist if the procurement were  
8 not held, including the preservation of carbon-free energy  
9 resources. For those bidders having the same public  
10 interest criteria score, the relative ranking of such  
11 bidders shall be determined by price. The Plan shall  
12 describe in detail how each public interest factor shall  
13 be considered and weighted in the bid selection process to  
14 ensure that the public interest criteria are applied to  
15 the procurement. The Plan shall, to the extent practical  
16 and permissible by federal law, ensure that successful  
17 bidders make commercially reasonable efforts to apply for  
18 federal tax credits, direct payments, or similar subsidy  
19 programs that support carbon-free generation and for which  
20 the successful bidder is eligible. Upon publishing of the  
21 carbon mitigation credit procurement plan, copies of the  
22 plan shall be posted and made publicly available on the  
23 Agency's website. All interested parties shall have 7 days  
24 following the date of posting to provide comment to the  
25 Agency on the plan. All comments shall be posted to the  
26 Agency's website. Following the end of the comment period,



1 but no more than 19 days later than the effective date of  
2 this amendatory Act of the 102nd General Assembly, the  
3 Agency shall revise the plan as necessary based on the  
4 comments received and file its carbon mitigation credit  
5 procurement plan with the Commission.

6 (E) If the Commission determines that the plan is  
7 likely to result in the procurement of cost-effective  
8 carbon mitigation credits, then the Commission shall,  
9 after notice and hearing and opportunity for comment, but  
10 no later than 42 days after the Agency filed the plan,  
11 approve the plan or approve it with modification. For  
12 purposes of this subsection (d-10), "cost-effective" means  
13 carbon mitigation credits that are procured from  
14 carbon-free energy resources at prices that are within the  
15 limits specified in this paragraph (3). As part of the  
16 Commission's review and acceptance or rejection of the  
17 procurement results, the Commission shall, in its public  
18 notice of successful bidders:

19 (i) identify how the selected carbon-free energy  
20 resources satisfy the public interest criteria  
21 described in this paragraph (3) of minimizing carbon  
22 dioxide emissions that result from electricity  
23 consumed in Illinois and minimizing sulfur dioxide,  
24 nitrogen oxide, and particulate matter emissions that  
25 adversely affect the citizens of this State;

26 (ii) specifically address how the selection of

1 carbon-free energy resources takes into account the  
2 incremental environmental benefits resulting from the  
3 procurement, including any existing environmental  
4 benefits that are preserved by the procurements held  
5 under this amendatory Act of the 102nd General  
6 Assembly and would have ceased to exist if the  
7 procurements had not been held, such as the  
8 preservation of carbon-free energy resources;

9 (iii) quantify the environmental benefit of  
10 preserving the carbon-free energy resources procured  
11 pursuant to this subsection (d-10), including the  
12 following:

13 (I) an assessment value of avoided greenhouse  
14 gas emissions measured as the product of the  
15 carbon-free energy resources' output over the  
16 contract term, using generally accepted  
17 methodologies for the valuation of avoided  
18 emissions; and

19 (II) an assessment of costs of replacement  
20 with other carbon-free energy resources and  
21 renewable energy resources, including wind and  
22 photovoltaic generation, based upon an assessment  
23 of the prices paid for renewable energy credits  
24 through programs and procurements conducted  
25 pursuant to subsection (c) of Section 1-75 of this  
26 Act, and the additional storage necessary to

1           produce the same or similar capability of matching  
2           customer usage patterns.

3           (F) The procurements described in this paragraph (3),  
4           including, but not limited to, the execution of all  
5           contracts procured, shall be completed no later than  
6           December 3, 2021. The procurement and plan approval  
7           processes required by this paragraph (3) shall be  
8           conducted in conjunction with the procurement and plan  
9           approval processes required by Section 16-111.5 of the  
10          Public Utilities Act, to the extent practicable. However,  
11          the Agency and Commission may, as appropriate, modify the  
12          various dates and timelines under this subparagraph and  
13          subparagraphs (D) and (E) of this paragraph (3) to meet  
14          the December 3, 2021 contract execution deadline.  
15          Following the completion of such procurements, and  
16          consistent with this paragraph (3), the Agency shall  
17          calculate the payments to be made under each contract in a  
18          timely fashion.

19          (F-1) Costs incurred by the electric utility pursuant  
20          to a contract authorized by this subsection (d-10) shall  
21          be deemed prudently incurred and reasonable in amount, and  
22          the electric utility shall be entitled to full cost  
23          recovery pursuant to a tariff or tariffs filed with the  
24          Commission.

25          (G) The counterparty electric utility shall retire all  
26          carbon mitigation credits used to comply with the

1 requirements of this subsection (d-10).

2 (H) If a carbon-free energy resource is sold to  
3 another owner, the rights, obligations, and commitments  
4 under this subsection (d-10) shall continue to the  
5 subsequent owner.

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

8 (d-20) Energy storage system portfolio standard.

9 (1) The General Assembly finds that the deployment of  
10 energy storage systems is necessary to successfully  
11 integrate high levels of renewable energy, to avoid the  
12 creation and increase of carbon emissions from electric  
13 generation sources, and to ensure affordable, stable,  
14 clean, reliable, and resilient electricity.

15 (2) The Agency shall develop an energy storage system  
16 resources procurement plan that includes the competitive  
17 procurement events, procurement programs, or both, as  
18 necessary (i) to meet the goals set forth in this  
19 subsection (d-20), (ii) to meet the planning requirements  
20 established under Sections 16-201 and 16-202 of the Public  
21 Utilities Act, (iii) to meet the clean energy policy  
22 established by Public Act 102-662, and (iv) to cause  
23 electric utilities serving more than 300,000 customers in  
24 the State as of January 1, 2019 to contract for energy  
25 storage resources. The energy storage system resources  
26 procurement plan approval processes shall be conducted

1 consistent with the processes outlined in paragraph (6) of  
2 subsection (b) of Section 16-111.5 of the Public Utilities  
3 Act, with the initial energy storage system resources  
4 procurement plan released for comment in calendar year  
5 2027. The Agency shall review and may revise the energy  
6 storage system resources procurement plan at least every 2  
7 years. The Agency shall establish, and the Commission  
8 shall approve or approve as modified, an energy storage  
9 system resources procurement plan that includes:

10 (A) storage targets in addition to the initial  
11 procurements specified in paragraph (3) of this  
12 subsection (d-20) at levels identified through the  
13 integrated resource planning process outlined in  
14 Section 16-202 of the Public Utilities Act;

15 (B) a bid selection process that is based on the  
16 bid price, when compared with an equal energy storage  
17 duration and interconnected to the same independent  
18 system operator (ISO) or regional transmission  
19 organization (RTO), and that may provide for  
20 consideration of the following:

21 (i) the project's viability and ability to  
22 meet or exceed operational date targets;

23 (ii) the developer's experience;

24 (iii) requirements for demonstration of  
25 binding site control that are sufficient for  
26 proposed energy storage facilities;

1           (iv) the availability or dependence on any  
2           transmission expansion or upgrades needed; and

3           (v) other resource adequacy and reliability  
4           considerations;

5           (C) consideration of the need to ensure adequate,  
6           reliable, affordable, efficient, and environmentally  
7           sustainable electric service at the lowest total cost  
8           over time;

9           (D) proposals for the financial support of energy  
10          storage systems using contract models, which may  
11          include, but are not limited to, the following:

12           (i) an indexed storage credit procurement,  
13           including payments to energy storage system owners  
14           or operators with any offsets and refunds for  
15           potential energy and capacity revenues;

16           (ii) support for energy storage system  
17           resources through contract structures that do not  
18           create contractual obligations on utilities that  
19           are not contingent on full and timely cost  
20           recovery, that avoid negative financial impacts on  
21           the utilities, and that are agreed upon by the  
22           utilities; and

23           (iii) other approaches as deemed suitable by  
24           the Agency and the Commission; and

25           (E) consideration that the Agency may include a  
26          methodology that could prioritize procurement of

1 energy storage resources that are located in  
2 communities eligible to receive Energy Transition  
3 Community Grants pursuant to Section 10-20 of the  
4 Energy Community Reinvestment Act.

5 In developing its procurement plan and conducting the  
6 storage procurements outlined in this paragraph (2) and in  
7 paragraph (3), the Agency may use the services of expert  
8 consulting firms identified in paragraphs (1) and (2) of  
9 subsection (a) of this Section.

10 (3) Notwithstanding whether an energy storage system  
11 resources procurement plan has been approved, the  
12 following provisions shall apply to the Agency's initial  
13 procurement of energy storage system resources under this  
14 subsection (d-20):

15 (A) The Agency shall conduct an initial energy  
16 storage procurement on or before August 26, 2026 or 90  
17 days after the effective date of this amendatory Act  
18 of the 104th General Assembly, whichever is earlier.  
19 For the purposes of this initial energy storage  
20 procurement, the Agency shall conduct a procurement  
21 that results in electric utilities that served more  
22 than 300,000 customers in the State as of January 1,  
23 2019 contracting for at least 1,038 megawatts of  
24 cost-effective stand-alone energy storage systems that  
25 can achieve commercial operation on or before December  
26 31, 2029 or an alternative date proposed by the Agency

1           that is no later than December 31, 2030. The  
2           procurement target shall be separated for projects  
3           interconnected within Midcontinent Independent System  
4           Operator Local Resource Zone 4 (MISO Zone 4) and for  
5           projects interconnected within the PJM  
6           Interconnection, LLC ComEd Locational Deliverability  
7           Area (PJM ComEd Area) as follows:

8                   (i) 450 megawatts in MISO Zone 4; and

9                   (ii) 588 megawatts in the PJM ComEd Area.

10           For purposes of this subsection (d-20),  
11           "stand-alone" means systems that are (i) separately  
12           metered by a revenue-quality meter that satisfies the  
13           requirements of the RTO; (ii) operate independently  
14           without constraints or hindrances from other  
15           generation units; and (iii) demonstrate the ability to  
16           charge and discharge independent of any generation  
17           unit output.

18           (B) The Agency shall conduct a series of  
19           additional energy storage procurements that result in  
20           electric utilities contracting for energy storage  
21           resources in an amount of at least 3,000 megawatts of  
22           cumulative energy storage capacity for projects  
23           committed to reaching commercial operation on or  
24           before December 31, 2029, or an alternative date  
25           proposed by the Agency that is no later than December  
26           31, 2030, subject to extension for a delay due to



1 interconnection of the energy storage system, a delay  
2 in obtaining permits necessary to build or operate the  
3 energy storage system, or other circumstances at the  
4 discretion of the Agency and in an amount of at least  
5 6,000 megawatts of cumulative energy storage capacity  
6 for projects committed to reaching commercial  
7 operation on or before December 31, 2034, subject to  
8 extension for a delay due to interconnection of the  
9 energy storage system, a delay in obtaining permits  
10 necessary to build or operate the energy storage  
11 system, or other circumstances at the discretion of  
12 the Agency.

13 The additional energy storage resources  
14 procurements shall be conducted in calendar years  
15 2026, 2027, 2028, and 2029 in a manner that ensures the  
16 quantities listed in this subparagraph (B) are met in  
17 the specified timeframe. The procurements shall be  
18 conducted in a manner that maximizes projects  
19 available in the MISO and PJM queues, ensures the  
20 likelihood of project development through the  
21 development of project maturity requirements, enables  
22 sufficient competition for price competitiveness, and  
23 aligns to the extent practicable with regional  
24 transmission organization study phases. The  
25 procurements shall select projects interconnected to  
26 MISO Zone 4 and the PJM ComEd Area and shall follow

1        either (i) a similar geographic split to the ratio of  
2        quantities established in subparagraph (A) of this  
3        paragraph (3), (ii) an alternative geographic split  
4        proposed by the Agency based on project availability  
5        in advanced stages of the MISO and PJM queues, or (iii)  
6        that is informed by MISO and PJM planning activities,  
7        auctions, or reports that indicate capacity resource  
8        shortages or impending shortages and that reflect the  
9        assessments made through the processes outlined in  
10       subparagraph (A) of paragraph (2). The additional  
11       energy storage capacity procurements may be adjusted  
12       upward if determined necessary through the planning  
13       process outlined in Section 16-201 of the Public  
14       Utilities Act at times determined by the Commission.

15        (C) The initial energy storage resources  
16       procurement under subparagraph (A) of this paragraph  
17       (3) shall adopt a standard indexed storage credit  
18       contract modeled after the contract and follow a  
19       process modeled after the process included in the  
20       staff report submitted to the Governor, General  
21       Assembly, and Commission pursuant to subsection (g) of  
22       Section 16-135 of the Public Utilities Act on May 1,  
23       2025. In developing the procurement rules and  
24       procurement process for the initial procurement, the  
25       Agency shall provide an opportunity for comment on the  
26       indexed storage credit contract included in the May 1,

1           2025 staff report and shall adopt modifications to the  
2           contract consistent with the process outlined in  
3           paragraph (2) of subsection (e) of Section 16-111.5 of  
4           the Public Utilities Act.

5           (D) For the additional energy storage resources  
6           procurements conducted in accordance with subparagraph  
7           (B) of this paragraph (3), the Agency may, among other  
8           considerations, consider other contract structures if  
9           such contract structures and agreements do not create  
10           contractual obligations on utilities that are not  
11           contingent on full and timely cost recovery, avoid  
12           negative financial impacts on the utilities, and are  
13           agreed upon by the participating utility.

14           (E) The initial and additional energy storage  
15           resources procurements under this paragraph (3) shall  
16           solicit 20-year contracts.

17           (F) The Agency shall submit its proposed selection  
18           of successful bids for each procurement event pursuant  
19           to paragraphs (2) and (3) to the Commission for  
20           approval consistent with the processes outlined in  
21           Section 16-111.5 of the Public Utilities Act to the  
22           extent practicable.

23           (4) The energy storage system resources procurement  
24           plans developed by the Agency may consider alternatives to  
25           the initial and additional procurement terms described in  
26           paragraph (3) of this subsection (d-20), including, but

1 not limited to:

2 (A) alternatives to the standard indexed storage  
3 credit contract used in the initial terms described in  
4 subparagraph (C) of paragraph (3) of this subsection  
5 (d-20);

6 (B) energy storage systems that are not  
7 stand-alone;

8 (C) proportionate allocations between MISO Zone 4  
9 and the PJM ComEd Area that are not based upon load  
10 share, including allocations reflecting the  
11 assessments made through the processes outlined in  
12 subparagraph (A) of paragraph (2);

13 (D) contract lengths other than 20 years;

14 (E) energy storage system durations other than 4  
15 hours; and

16 (F) energy storage systems connected to the  
17 distribution systems of the electric utilities.

18 The Agency may propose specific timelines for energy  
19 storage system resources procurements, which may differ  
20 across RTO zones, that are based in part upon a  
21 consideration of (i) the timing of the release of  
22 interconnection cost information through both MISO and PJM  
23 interconnection queue processes, (ii) factors that  
24 maximize the likelihood of successful project development,  
25 (iii) enabling sufficient competition for price  
26 competitiveness, and (iv) aligning to the extent

1 practicable with RTO study phases.

2 (5) The Agency shall procure cost-effective energy  
3 storage credits or other contract instruments intended to  
4 facilitate the successful development of energy storage  
5 projects. The procurement administrator shall establish  
6 confidential price benchmarks based on publicly available  
7 data on regional technology costs. Confidential price  
8 benchmarks shall be developed by the procurement  
9 administrator, in consultation with Commission staff,  
10 Agency staff, and the procurement monitor, and shall be  
11 subject to Commission review and approval. Price  
12 benchmarks shall reflect development costs, financing  
13 costs, and related costs resulting from requirements  
14 imposed through other provisions of State law. As used in  
15 this paragraph (5), "cost-effective" means a bidder's bid  
16 price that does not exceed confidential price benchmarks.

17 (6) All procurements under this subsection (d-20)  
18 shall comply with the geographic requirements in  
19 subparagraph (I) of paragraph (1) of subsection (c) of  
20 Section 1-75 and shall follow the procurement processes  
21 and procedures described in this Section and Section  
22 16-111.5 of the Public Utilities Act, to the extent  
23 practicable. The processes and procedures may be expedited  
24 to accommodate the schedule established by this Section.  
25 The Agency shall require all bidders to pay to the Agency a  
26 nonrefundable deposit determined by the Agency and no less

1 than \$10,000 per bid as practical. The Agency may also  
2 assess bidder and supplier fees to cover the cost of  
3 procurement events and develop collateral requirements to  
4 maximize the likelihood of successful project development.  
5 Bidders in the initial and additional procurements  
6 described in paragraph (3) of this subsection (d-20) shall  
7 also demonstrate experience in developing to commercial  
8 readiness. As used in this paragraph (6), "developing to  
9 commercial readiness" means having notice to proceed in  
10 owning or operating energy facilities with a combined  
11 nameplate capacity of at least 100 megawatts.

12 (7) In order to advance priority access to the clean  
13 energy economy for businesses and workers from communities  
14 that have been excluded from economic opportunities in the  
15 energy sector, have been subject to disproportionate  
16 levels of pollution, and have disproportionately  
17 experienced negative public health outcomes, the Agency  
18 shall apply its equity accountability system and minimum  
19 equity standards established under subsections (c-10),  
20 (c-15), (c-20), (c-25), and (c-30) of this Section to  
21 energy storage procurement and programs and may include  
22 any proposed modifications to the equity accountability  
23 system and minimum equity standards that may be warranted  
24 with respect to energy storage resources in its plan  
25 submission to the Commission under Section 16-111.5 of the  
26 Public Utilities Act.

1           (8) Projects shall be developed in compliance with the  
2           prevailing wage and project labor agreement requirements  
3           for renewable energy projects in subparagraph (Q) of  
4           paragraph (1) of subsection (c) of Section 1-75.

5           (9) An entity operating an energy storage facility  
6           shall demonstrate that it has entered into a labor peace  
7           agreement with a bona fide labor organization that is  
8           actively engaged in representing its employees. The labor  
9           peace agreement shall apply to the employees necessary for  
10           the ongoing maintenance and operation of the energy  
11           storage facility. The existence of a labor peace agreement  
12           shall be an ongoing material condition of an entity's  
13           authorization to maintain and operate the energy storage  
14           facility.

15           (10) In order to promote the competitive development  
16           of energy storage systems in furtherance of the State's  
17           interest in the health, safety, and welfare of its  
18           residents, storage credits shall not be eligible to be  
19           selected under this subsection (d-20) if the energy  
20           storage resources are sourced from an energy storage  
21           system whose costs were being recovered through rates  
22           regulated by the State or any other state or states on or  
23           after January 1, 2017. No entity shall be permitted to bid  
24           unless it certifies to the Agency that it is not an  
25           electric utility, as defined in Section 16-102 of the  
26           Public Utilities Act, serving more than 10,000 customers

1 in the State.

2 (11) The Agency shall require, as a prerequisite to  
3 payment for any storage credits, that the winning bidder  
4 provide the Agency or its designee a copy of the  
5 interconnection agreement under which the applicable  
6 energy storage system is connected to the transmission or  
7 distribution system.

8 (12) Contracts shall provide that, if the cost  
9 recovery mechanism referenced in subsection (k) of Section  
10 16-108 of the Public Utilities Act remains in full force  
11 without amendment or the utility is otherwise authorized  
12 or entitled to full, prompt, and uninterrupted recovery of  
13 its costs through any other mechanism, then such seller  
14 shall be entitled to full, prompt, and uninterrupted  
15 payment under the applicable contract notwithstanding the  
16 application of this paragraph (12).

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

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

24 (g) The Agency shall assess fees to each affected utility  
25 to recover the costs incurred in preparation of procurement  
26 plans and in the operation of programs ~~the annual procurement~~



1 ~~plan for the utility.~~

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

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

18 (Source: P.A. 102-662, eff. 9-15-21; 103-380, eff. 1-1-24;  
19 103-580, eff. 12-8-23; 103-1066, eff. 2-20-25.)

20 (20 ILCS 3855/1-125)

21 Sec. 1-125. Agency annual reports.

22 (a) By March ~~February~~ 15 of each year, the Agency shall  
23 report annually to the Governor and the General Assembly on  
24 the operations and transactions of the Agency. The annual  
25 report shall include, but not be limited to, each of the

1 following:

2 (1) The average quantity, price, and term of all  
3 contracts for electricity procured under the procurement  
4 plans for electric utilities.

5 (2) (Blank).

6 (3) The quantity, price, and rate impact of all energy  
7 efficiency and demand response measures purchased for  
8 electric utilities, and any measures included in the  
9 procurement plan pursuant to Section 16-111.5B of the  
10 Public Utilities Act.

11 (4) The amount of power and energy produced by each  
12 Agency facility.

13 (5) The quantity of electricity supplied by each  
14 Agency facility to municipal electric systems,  
15 governmental aggregators, or rural electric cooperatives  
16 in Illinois.

17 (6) The revenues as allocated by the Agency to each  
18 facility.

19 (7) The costs as allocated by the Agency to each  
20 facility.

21 (8) The accumulated depreciation for each facility.

22 (9) The status of any projects under development.

23 (10) Basic financial and operating information  
24 specifically detailed for the reporting year and  
25 including, but not limited to, income and expense  
26 statements, balance sheets, and changes in financial

1 position, all in accordance with generally accepted  
2 accounting principles, debt structure, and a summary of  
3 funds on a cash basis.

4 (11) The average quantity, price, contract type and  
5 term, and rate impact of all renewable resources procured  
6 under the long-term renewable resources procurement plans  
7 for electric utilities.

8 (12) A comparison of the costs associated with the  
9 Agency's procurement of renewable energy resources to (A)  
10 the Agency's costs associated with electricity generated  
11 by other types of generation facilities and (B) the  
12 benefits associated with the Agency's procurement of  
13 renewable energy resources.

14 (13) An analysis of the rate impacts associated with  
15 the Illinois Power Agency's procurement of renewable  
16 resources, including, but not limited to, any long-term  
17 contracts, on the eligible retail customers of electric  
18 utilities. The analysis shall include the Agency's  
19 estimate of the total dollar impact that the Agency's  
20 procurement of renewable resources has had on the annual  
21 electricity bills of the customer classes that comprise  
22 each eligible retail customer class taking service from an  
23 electric utility.

24 (14) (Blank).

25 (b) In addition to reporting on the transactions and  
26 operations of the Agency, the Agency shall also endeavor to

1 report on the following items through its annual report,  
2 recognizing that full and accurate information may not be  
3 available for certain items:

4 (1) The overall nameplate capacity amount of installed  
5 and scheduled renewable energy generation capacity  
6 physically located in Illinois.

7 (2) The percentage of installed and scheduled  
8 renewable energy generation capacity as a share of overall  
9 electricity generation capacity physically located in  
10 Illinois.

11 (3) The amount of megawatt hours produced by renewable  
12 energy generation capacity physically located in Illinois  
13 for the preceding delivery year.

14 (4) The percentage of megawatt hours produced by  
15 renewable energy generation capacity physically located in  
16 Illinois as a share of overall electricity generation from  
17 facilities physically located in Illinois for the  
18 preceding delivery year and as a share of retail  
19 electricity sales in Illinois.

20 (5) The renewable portfolio standard expenditures made  
21 pursuant to paragraph (1) of subsection (c) of Section  
22 1-75 and the total scheduled and installed renewable  
23 generation capacity expected to result from these  
24 investments. This information shall include the total cost  
25 of REC delivery contracts of the renewable portfolio  
26 standard by project category, including, but not limited

1 to, renewable energy credits delivery contracts entered  
2 into pursuant to subparagraphs (C), (G), (K), and (R) of  
3 paragraph (1) of subsection (c) Section 1-75. The Agency  
4 shall also report on the total amount of customer load  
5 featuring renewable portfolio standard compliance  
6 obligations scheduled to be met by self-direct customers  
7 pursuant to subparagraph (R) of paragraph (1) of  
8 subsection (c) of Section 1-75, as well as the minimum  
9 annual quantities of renewable energy credits scheduled to  
10 be retired by those customers and amount of installed  
11 renewable energy generating capacity used to meet the  
12 requirements of subparagraph (R) of paragraph (1) of  
13 subsection (c) of Section 1-75.

14 The Agency may seek assistance from the Illinois Commerce  
15 Commission in developing its annual report and may also retain  
16 the services of its expert consulting firm used to develop its  
17 procurement plans as outlined in paragraph (1) of subsection  
18 (a) of Section 1-75. Confidential or commercially sensitive  
19 business information provided by retail customers, alternative  
20 retail electric suppliers, or other parties shall be kept  
21 confidential by the Agency consistent with Section 1-120, but  
22 may be publicly reported in aggregate form.

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

24 Section 90-15. The Illinois Procurement Code is amended by  
25 changing Sections 1-10 and 30-20 as follows:

1 (30 ILCS 500/1-10)

2 Sec. 1-10. Application.

3 (a) This Code applies only to procurements for which  
4 bidders, offerors, potential contractors, or contractors were  
5 first solicited on or after July 1, 1998. This Code shall not  
6 be construed to affect or impair any contract, or any  
7 provision of a contract, entered into based on a solicitation  
8 prior to the implementation date of this Code as described in  
9 Article 99, including, but not limited to, any covenant  
10 entered into with respect to any revenue bonds or similar  
11 instruments. All procurements for which contracts are  
12 solicited between the effective date of Articles 50 and 99 and  
13 July 1, 1998 shall be substantially in accordance with this  
14 Code and its intent.

15 (b) This Code shall apply regardless of the source of the  
16 funds with which the contracts are paid, including federal  
17 assistance moneys. This Code shall not apply to:

18 (1) Contracts between the State and its political  
19 subdivisions or other governments, or between State  
20 governmental bodies, except as specifically provided in  
21 this Code.

22 (2) Grants, except for the filing requirements of  
23 Section 20-80.

24 (3) Purchase of care, except as provided in Section  
25 5-30.6 of the Illinois Public Aid Code and this Section.

1           (4) Hiring of an individual as an employee and not as  
2           an independent contractor, whether pursuant to an  
3           employment code or policy or by contract directly with  
4           that individual.

5           (5) Collective bargaining contracts.

6           (6) Purchase of real estate, except that notice of  
7           this type of contract with a value of more than \$25,000  
8           must be published in the Procurement Bulletin within 10  
9           calendar days after the deed is recorded in the county of  
10          jurisdiction. The notice shall identify the real estate  
11          purchased, the names of all parties to the contract, the  
12          value of the contract, and the effective date of the  
13          contract.

14          (7) Contracts necessary to prepare for anticipated  
15          litigation, enforcement actions, or investigations,  
16          provided that the chief legal counsel to the Governor  
17          shall give his or her prior approval when the procuring  
18          agency is one subject to the jurisdiction of the Governor,  
19          and provided that the chief legal counsel of any other  
20          procuring entity subject to this Code shall give his or  
21          her prior approval when the procuring entity is not one  
22          subject to the jurisdiction of the Governor.

23          (8) (Blank).

24          (9) Procurement expenditures by the Illinois  
25          Conservation Foundation when only private funds are used.

26          (10) (Blank).

1           (11) Public-private agreements entered into according  
2 to the procurement requirements of Section 20 of the  
3 Public-Private Partnerships for Transportation Act and  
4 design-build agreements entered into according to the  
5 procurement requirements of Section 25 of the  
6 Public-Private Partnerships for Transportation Act.

7           (12) (A) Contracts for legal, financial, and other  
8 professional and artistic services entered into by the  
9 Illinois Finance Authority in which the State of Illinois  
10 is not obligated. Such contracts shall be awarded through  
11 a competitive process authorized by the members of the  
12 Illinois Finance Authority and are subject to Sections  
13 5-30, 20-160, 50-13, 50-20, 50-35, and 50-37 of this Code,  
14 as well as the final approval by the members of the  
15 Illinois Finance Authority of the terms of the contract.

16           (B) Contracts for legal and financial services entered  
17 into by the Illinois Housing Development Authority in  
18 connection with the issuance of bonds in which the State  
19 of Illinois is not obligated. Such contracts shall be  
20 awarded through a competitive process authorized by the  
21 members of the Illinois Housing Development Authority and  
22 are subject to Sections 5-30, 20-160, 50-13, 50-20, 50-35,  
23 and 50-37 of this Code, as well as the final approval by  
24 the members of the Illinois Housing Development Authority  
25 of the terms of the contract.

26           (13) Contracts for services, commodities, and



1 equipment to support the delivery of timely forensic  
2 science services in consultation with and subject to the  
3 approval of the Chief Procurement Officer as provided in  
4 subsection (d) of Section 5-4-3a of the Unified Code of  
5 Corrections, except for the requirements of Sections  
6 20-60, 20-65, 20-70, and 20-160 and Article 50 of this  
7 Code; however, the Chief Procurement Officer may, in  
8 writing with justification, waive any certification  
9 required under Article 50 of this Code. For any contracts  
10 for services which are currently provided by members of a  
11 collective bargaining agreement, the applicable terms of  
12 the collective bargaining agreement concerning  
13 subcontracting shall be followed.

14 On and after January 1, 2019, this paragraph (13),  
15 except for this sentence, is inoperative.

16 (14) Contracts for participation expenditures required  
17 by a domestic or international trade show or exhibition of  
18 an exhibitor, member, or sponsor.

19 (15) Contracts with a railroad or utility that  
20 requires the State to reimburse the railroad or utilities  
21 for the relocation of utilities for construction or other  
22 public purpose. Contracts included within this paragraph  
23 (15) shall include, but not be limited to, those  
24 associated with: relocations, crossings, installations,  
25 and maintenance. For the purposes of this paragraph (15),  
26 "railroad" means any form of non-highway ground

1 transportation that runs on rails or electromagnetic  
2 guideways and "utility" means: (1) public utilities as  
3 defined in Section 3-105 of the Public Utilities Act, (2)  
4 telecommunications carriers as defined in Section 13-202  
5 of the Public Utilities Act, (3) electric cooperatives as  
6 defined in Section 3.4 of the Electric Supplier Act, (4)  
7 telephone or telecommunications cooperatives as defined in  
8 Section 13-212 of the Public Utilities Act, (5) rural  
9 water or waste water systems with 10,000 connections or  
10 less, (6) a holder as defined in Section 21-201 of the  
11 Public Utilities Act, and (7) municipalities owning or  
12 operating utility systems consisting of public utilities  
13 as that term is defined in Section 11-117-2 of the  
14 Illinois Municipal Code.

15 (16) Procurement expenditures necessary for the  
16 Department of Public Health to provide the delivery of  
17 timely newborn screening services in accordance with the  
18 Newborn Metabolic Screening Act.

19 (17) Procurement expenditures necessary for the  
20 Department of Agriculture, the Department of Financial and  
21 Professional Regulation, the Department of Human Services,  
22 and the Department of Public Health to implement the  
23 Compassionate Use of Medical Cannabis Program and Opioid  
24 Alternative Pilot Program requirements and ensure access  
25 to medical cannabis for patients with debilitating medical  
26 conditions in accordance with the Compassionate Use of

1 Medical Cannabis Program Act.

2 (18) This Code does not apply to any procurements  
3 necessary for the Department of Agriculture, the  
4 Department of Financial and Professional Regulation, the  
5 Department of Human Services, the Department of Commerce  
6 and Economic Opportunity, and the Department of Public  
7 Health to implement the Cannabis Regulation and Tax Act if  
8 the applicable agency has made a good faith determination  
9 that it is necessary and appropriate for the expenditure  
10 to fall within this exemption and if the process is  
11 conducted in a manner substantially in accordance with the  
12 requirements of Sections 20-160, 25-60, 30-22, 50-5,  
13 50-10, 50-10.5, 50-12, 50-13, 50-15, 50-20, 50-21, 50-35,  
14 50-36, 50-37, 50-38, and 50-50 of this Code; however, for  
15 Section 50-35, compliance applies only to contracts or  
16 subcontracts over \$100,000. Notice of each contract  
17 entered into under this paragraph (18) that is related to  
18 the procurement of goods and services identified in  
19 paragraph (1) through (9) of this subsection shall be  
20 published in the Procurement Bulletin within 14 calendar  
21 days after contract execution. The Chief Procurement  
22 Officer shall prescribe the form and content of the  
23 notice. Each agency shall provide the Chief Procurement  
24 Officer, on a monthly basis, in the form and content  
25 prescribed by the Chief Procurement Officer, a report of  
26 contracts that are related to the procurement of goods and

1 services identified in this subsection. At a minimum, this  
2 report shall include the name of the contractor, a  
3 description of the supply or service provided, the total  
4 amount of the contract, the term of the contract, and the  
5 exception to this Code utilized. A copy of any or all of  
6 these contracts shall be made available to the Chief  
7 Procurement Officer immediately upon request. The Chief  
8 Procurement Officer shall submit a report to the Governor  
9 and General Assembly no later than November 1 of each year  
10 that includes, at a minimum, an annual summary of the  
11 monthly information reported to the Chief Procurement  
12 Officer. This exemption becomes inoperative 5 years after  
13 June 25, 2019 (the effective date of Public Act 101-27).

14 (19) Acquisition of modifications or adjustments,  
15 limited to assistive technology devices and assistive  
16 technology services, adaptive equipment, repairs, and  
17 replacement parts to provide reasonable accommodations (i)  
18 that enable a qualified applicant with a disability to  
19 complete the job application process and be considered for  
20 the position such qualified applicant desires, (ii) that  
21 modify or adjust the work environment to enable a  
22 qualified current employee with a disability to perform  
23 the essential functions of the position held by that  
24 employee, (iii) to enable a qualified current employee  
25 with a disability to enjoy equal benefits and privileges  
26 of employment as are enjoyed by other similarly situated

1 employees without disabilities, and (iv) that allow a  
2 customer, client, claimant, or member of the public  
3 seeking State services full use and enjoyment of and  
4 access to its programs, services, or benefits.

5 For purposes of this paragraph (19):

6 "Assistive technology devices" means any item, piece  
7 of equipment, or product system, whether acquired  
8 commercially off the shelf, modified, or customized, that  
9 is used to increase, maintain, or improve functional  
10 capabilities of individuals with disabilities.

11 "Assistive technology services" means any service that  
12 directly assists an individual with a disability in  
13 selection, acquisition, or use of an assistive technology  
14 device.

15 "Qualified" has the same meaning and use as provided  
16 under the federal Americans with Disabilities Act when  
17 describing an individual with a disability.

18 (20) Procurement expenditures necessary for the  
19 Illinois Commerce Commission to hire third-party  
20 facilitators pursuant to Sections 16-105.17 and 16-108.18  
21 of the Public Utilities Act or an ombudsman pursuant to  
22 Section 16-107.5 of the Public Utilities Act, a  
23 facilitator pursuant to Section 16-105.17 of the Public  
24 Utilities Act, ~~or~~ a grid auditor pursuant to Section  
25 16-105.10 of the Public Utilities Act, a facilitator,  
26 expert, or consultant pursuant to Sections 8-104A,

1       16-126.2, and 16-202 of the Public Utilities Act, a  
2       procurement monitor pursuant to Section 16-111.5 of the  
3       Public Utilities Act, an ombudsperson pursuant to Section  
4       20-145 of the Public Utilities Act, or consultants and  
5       experts pursuant to Section 15 of the Utility Data Access  
6       Act.

7           (21) Procurement expenditures for the purchase,  
8       renewal, and expansion of software, software licenses, or  
9       software maintenance agreements that support the efforts  
10      of the Illinois State Police to enforce, regulate, and  
11      administer the Firearm Owners Identification Card Act, the  
12      Firearm Concealed Carry Act, the Firearms Restraining  
13      Order Act, the Firearm Dealer License Certification Act,  
14      the Law Enforcement Agencies Data System (LEADS), the  
15      Uniform Crime Reporting Act, the Criminal Identification  
16      Act, the Illinois Uniform Conviction Information Act, and  
17      the Gun Trafficking Information Act, or establish or  
18      maintain record management systems necessary to conduct  
19      human trafficking investigations or gun trafficking or  
20      other stolen firearm investigations. This paragraph (21)  
21      applies to contracts entered into on or after January 10,  
22      2023 (the effective date of Public Act 102-1116) and the  
23      renewal of contracts that are in effect on January 10,  
24      2023 (the effective date of Public Act 102-1116).

25           (22) Contracts for project management services and  
26      system integration services required for the completion of

1 the State's enterprise resource planning project. This  
2 exemption becomes inoperative 5 years after June 7, 2023  
3 (the effective date of the changes made to this Section by  
4 Public Act 103-8). This paragraph (22) applies to  
5 contracts entered into on or after June 7, 2023 (the  
6 effective date of the changes made to this Section by  
7 Public Act 103-8) and the renewal of contracts that are in  
8 effect on June 7, 2023 (the effective date of the changes  
9 made to this Section by Public Act 103-8).

10 (23) Procurements necessary for the Department of  
11 Insurance to implement the Illinois Health Benefits  
12 Exchange Law if the Department of Insurance has made a  
13 good faith determination that it is necessary and  
14 appropriate for the expenditure to fall within this  
15 exemption. The procurement process shall be conducted in a  
16 manner substantially in accordance with the requirements  
17 of Sections 20-160 and 25-60 and Article 50 of this Code. A  
18 copy of these contracts shall be made available to the  
19 Chief Procurement Officer immediately upon request. This  
20 paragraph is inoperative 5 years after June 27, 2023 (the  
21 effective date of Public Act 103-103).

22 (24) Contracts for public education programming,  
23 noncommercial sustaining announcements, public service  
24 announcements, and public awareness and education  
25 messaging with the nonprofit trade associations of the  
26 providers of those services that inform the public on

1 immediate and ongoing health and safety risks and hazards.

2 (25) Procurements necessary for the Department of  
3 Early Childhood to implement the Department of Early  
4 Childhood Act if the Department has made a good faith  
5 determination that it is necessary and appropriate for the  
6 expenditure to fall within this exemption. This exemption  
7 shall only be used for products and services procured  
8 solely for use by the Department of Early Childhood. The  
9 procurements may include those necessary to design and  
10 build integrated, operational systems of programs and  
11 services. The procurements may include, but are not  
12 limited to, those necessary to align and update program  
13 standards, integrate funding systems, design and establish  
14 data and reporting systems, align and update models for  
15 technical assistance and professional development, design  
16 systems to manage grants and ensure compliance, design and  
17 implement management and operational structures, and  
18 establish new means of engaging with families, educators,  
19 providers, and stakeholders. The procurement processes  
20 shall be conducted in a manner substantially in accordance  
21 with the requirements of Article 50 (ethics) and Sections  
22 5-5 (Procurement Policy Board), 5-7 (Commission on Equity  
23 and Inclusion), 20-80 (contract files), 20-120  
24 (subcontractors), 20-155 (paperwork), 20-160  
25 (ethics/campaign contribution prohibitions), 25-60  
26 (prevailing wage), and 25-90 (prohibited and authorized



1       cybersecurity) of this Code. Beginning January 1, 2025,  
2       the Department of Early Childhood shall provide a  
3       quarterly report to the General Assembly detailing a list  
4       of expenditures and contracts for which the Department  
5       uses this exemption. This paragraph is inoperative on and  
6       after July 1, 2027.

7       (26) ~~(25)~~ Procurements that are necessary for  
8       increasing the recruitment and retention of State  
9       employees, particularly minority candidates for  
10      employment, including:

- 11               (A) procurements related to registration fees for  
12               job fairs and other outreach and recruitment events;  
13               (B) production of recruitment materials; and  
14               (C) other services related to recruitment and  
15               retention of State employees.

16      The exemption under this paragraph (26) ~~(25)~~ applies  
17      only if the State agency has made a good faith  
18      determination that it is necessary and appropriate for the  
19      expenditure to fall within this paragraph (26) ~~(25)~~. The  
20      procurement process under this paragraph (26) ~~(25)~~ shall  
21      be conducted in a manner substantially in accordance with  
22      the requirements of Sections 20-160 and 25-60 and Article  
23      50 of this Code. A copy of these contracts shall be made  
24      available to the Chief Procurement Officer immediately  
25      upon request. Nothing in this paragraph (26) ~~(25)~~  
26      authorizes the replacement or diminishment of State

1 responsibilities in hiring or the positions that  
2 effectuate that hiring. This paragraph (26) ~~(25)~~ is  
3 inoperative on and after June 30, 2029.

4 Notwithstanding any other provision of law, for contracts  
5 with an annual value of more than \$100,000 entered into on or  
6 after October 1, 2017 under an exemption provided in any  
7 paragraph of this subsection (b), except paragraph (1), (2),  
8 or (5), each State agency shall post to the appropriate  
9 procurement bulletin the name of the contractor, a description  
10 of the supply or service provided, the total amount of the  
11 contract, the term of the contract, and the exception to the  
12 Code utilized. The chief procurement officer shall submit a  
13 report to the Governor and General Assembly no later than  
14 November 1 of each year that shall include, at a minimum, an  
15 annual summary of the monthly information reported to the  
16 chief procurement officer.

17 (c) This Code does not apply to the electric power  
18 procurement process provided for under Section 1-75 of the  
19 Illinois Power Agency Act and Section 16-111.5 of the Public  
20 Utilities Act. This Code does not apply to the procurement of  
21 technical and policy experts pursuant to Section 1-129 of the  
22 Illinois Power Agency Act.

23 (d) Except for Section 20-160 and Article 50 of this Code,  
24 and as expressly required by Section 9.1 of the Illinois  
25 Lottery Law, the provisions of this Code do not apply to the  
26 procurement process provided for under Section 9.1 of the

1 Illinois Lottery Law.

2 (e) This Code does not apply to the process used by the  
3 Capital Development Board to retain a person or entity to  
4 assist the Capital Development Board with its duties related  
5 to the determination of costs of a clean coal SNG brownfield  
6 facility, as defined by Section 1-10 of the Illinois Power  
7 Agency Act, as required in subsection (h-3) of Section 9-220  
8 of the Public Utilities Act, including calculating the range  
9 of capital costs, the range of operating and maintenance  
10 costs, or the sequestration costs or monitoring the  
11 construction of clean coal SNG brownfield facility for the  
12 full duration of construction.

13 (f) (Blank).

14 (g) (Blank).

15 (h) This Code does not apply to the process to procure or  
16 contracts entered into in accordance with Sections 11-5.2 and  
17 11-5.3 of the Illinois Public Aid Code.

18 (i) Each chief procurement officer may access records  
19 necessary to review whether a contract, purchase, or other  
20 expenditure is or is not subject to the provisions of this  
21 Code, unless such records would be subject to attorney-client  
22 privilege.

23 (j) This Code does not apply to the process used by the  
24 Capital Development Board to retain an artist or work or works  
25 of art as required in Section 14 of the Capital Development  
26 Board Act.

1           (k) This Code does not apply to the process to procure  
2 contracts, or contracts entered into, by the State Board of  
3 Elections or the State Electoral Board for hearing officers  
4 appointed pursuant to the Election Code.

5           (l) This Code does not apply to the processes used by the  
6 Illinois Student Assistance Commission to procure supplies and  
7 services paid for from the private funds of the Illinois  
8 Prepaid Tuition Fund. As used in this subsection (l), "private  
9 funds" means funds derived from deposits paid into the  
10 Illinois Prepaid Tuition Trust Fund and the earnings thereon.

11           (m) This Code shall apply regardless of the source of  
12 funds with which contracts are paid, including federal  
13 assistance moneys. Except as specifically provided in this  
14 Code, this Code shall not apply to procurement expenditures  
15 necessary for the Department of Public Health to conduct the  
16 Healthy Illinois Survey in accordance with Section 2310-431 of  
17 the Department of Public Health Powers and Duties Law of the  
18 Civil Administrative Code of Illinois.

19           (Source: P.A. 102-175, eff. 7-29-21; 102-483, eff. 1-1-22;  
20 102-558, eff. 8-20-21; 102-600, eff. 8-27-21; 102-662, eff.  
21 9-15-21; 102-721, eff. 1-1-23; 102-813, eff. 5-13-22;  
22 102-1116, eff. 1-10-23; 103-8, eff. 6-7-23; 103-103, eff.  
23 6-27-23; 103-570, eff. 1-1-24; 103-580, eff. 12-8-23; 103-594,  
24 eff. 6-25-24; 103-605, eff. 7-1-24; 103-865, eff. 1-1-25;  
25 revised 11-26-24.)

1 (30 ILCS 500/30-20)

2 Sec. 30-20. Prequalification.

3 (a) The Capital Development Board shall promulgate rules  
4 for the development of prequalified supplier lists for  
5 construction and construction-related professional services  
6 and the periodic updating of those lists. Construction and  
7 construction-related professional services contracts over  
8 \$25,000 may be awarded to any qualified suppliers.

9 (b) If deemed necessary by the Agency, the ~~The~~ Illinois  
10 Power Agency shall promulgate rules for the development of  
11 prequalified supplier lists for construction and  
12 construction-related professional services and the periodic  
13 updating of those lists. Construction and construction-related  
14 ~~construction-related~~ professional services contracts over  
15 \$25,000 may be awarded to any qualified suppliers, pursuant to  
16 a competitive bidding process.

17 (Source: P.A. 95-481, eff. 8-28-07.)

18 Section 90-17. The Illinois Works Jobs Program Act is  
19 amended by changing Section 20-15 as follows:

20 (30 ILCS 559/20-15)

21 Sec. 20-15. Illinois Works Preapprenticeship Program;  
22 Illinois Works Bid Credit Program.

23 (a) The Illinois Works Preapprenticeship Program is  
24 established and shall be administered by the Department. The

1 goal of the Illinois Works Preapprenticeship Program is to  
2 create a network of community-based organizations throughout  
3 the State that will recruit, prescreen, and provide  
4 preapprenticeship skills training, for which participants may  
5 attend free of charge and receive a stipend, to create a  
6 qualified, diverse pipeline of workers who are prepared for  
7 careers in the construction and building trades. Upon  
8 completion of the Illinois Works Preapprenticeship Program,  
9 the candidates will be skilled and work-ready.

10 (b) There is created the Illinois Works Fund, a special  
11 fund in the State treasury. The Illinois Works Fund shall be  
12 administered by the Department. The Illinois Works Fund shall  
13 be used to provide funding for community-based organizations  
14 throughout the State. In addition to any other transfers that  
15 may be provided for by law, on and after July 1, 2019 at the  
16 direction of the Director of the Governor's Office of  
17 Management and Budget, the State Comptroller shall direct and  
18 the State Treasurer shall transfer amounts not exceeding a  
19 total of \$50,000,000 from the Rebuild Illinois Projects Fund  
20 to the Illinois Works Fund.

21 (b-5) In addition to any other transfers that may be  
22 provided for by law, beginning July 1, 2024 and each July 1  
23 thereafter, or as soon thereafter as practical, the State  
24 Comptroller shall direct and the State Treasurer shall  
25 transfer \$27,500,000 from the Capital Projects Fund to the  
26 Illinois Works Fund.

1           (c) Each community-based organization that receives  
2 funding from the Illinois Works Fund shall provide an annual  
3 report to the Illinois Works Review Panel by April 1 of each  
4 calendar year. The annual report shall include the following  
5 information:

6           (1) a description of the community-based  
7 organization's recruitment, screening, and training  
8 efforts;

9           (2) the number of individuals who apply to,  
10 participate in, and complete the community-based  
11 organization's program, broken down by race, gender, age,  
12 and veteran status; and

13           (3) the number of the individuals referenced in item (2)  
14 of this subsection who are initially accepted and placed  
15 into apprenticeship programs in the construction and  
16 building trades.

17           (d) The Department shall create and administer the  
18 Illinois Works Bid Credit Program that shall provide economic  
19 incentives, through bid credits, to encourage contractors and  
20 subcontractors to provide contracting and employment  
21 opportunities to historically underrepresented populations in  
22 the construction industry.

23           The Illinois Works Bid Credit Program shall allow  
24 contractors and subcontractors to earn bid credits for use  
25 toward future bids for public works projects contracted by the  
26 State or an agency of the State in order to increase the

1 chances that the contractor and the subcontractors will be  
2 selected.

3 Contractors or subcontractors may be eligible to earn bid  
4 credits for employing apprentices who have been verified by  
5 the Department to have completed the Illinois Works  
6 Preapprenticeship Program, the Climate Works Preapprenticeship  
7 Program, or the Highway Construction Careers Training Program.

8 Contractors or subcontractors shall earn bid credits at a rate  
9 established by the Department and based on labor hours worked  
10 by apprentices who have been verified by the Department to  
11 have completed the Illinois Works Preapprenticeship Program,  
12 the Climate Works Preapprenticeship Program, or the Highway  
13 Construction Careers Training Program. In order to earn bid

14 credits, contractors and subcontractors shall provide the  
15 Department with certified payroll documenting the hours  
16 performed by apprentices who have been verified by the  
17 Department to have completed the Illinois Works  
18 Preapprenticeship Program, the Climate Works Preapprenticeship  
19 Program, or the Highway Construction Careers Training Program.

20 Contractors and subcontractors can use bid credits toward  
21 future bids for public works projects contracted or funded by  
22 the State or an agency of the State in order to increase the  
23 likelihood of being selected as the contractor for the public  
24 works project toward which they have applied the bid credit.  
25 The Department shall establish the rate by rule and shall  
26 publish it on the Department's website. The rule may include



1 maximum bid credits allowed per contractor, per subcontractor,  
2 per apprentice, per bid, or per year.

3 The Illinois Works Credit Bank is hereby created and shall  
4 be administered by the Department. The Illinois Works Credit  
5 Bank shall track the bid credits.

6 A contractor or subcontractor who has been awarded bid  
7 credits under any other State program for employing  
8 apprentices who have completed the Illinois Works  
9 Preapprenticeship Program is not eligible to receive bid  
10 credits under the Illinois Works Bid Credit Program relating  
11 to the same contract.

12 The Department shall report to the Illinois Works Review  
13 Panel the following: (i) the number of bid credits awarded by  
14 the Department; (ii) the number of bid credits submitted by  
15 the contractor or subcontractor to the agency administering  
16 the public works contract; and (iii) the number of bid credits  
17 accepted by the agency for such contract. Any agency that  
18 awards bid credits pursuant to the Illinois Works Credit Bank  
19 Program shall report to the Department the number of bid  
20 credits it accepted for the public works contract.

21 Upon a finding that a contractor or subcontractor has  
22 reported falsified records to the Department in order to  
23 fraudulently obtain bid credits, the Department may bar the  
24 contractor or subcontractor from participating in the Illinois  
25 Works Bid Credit Program and may suspend the contractor or  
26 subcontractor from bidding on or participating in any public

1 works project. False or fraudulent claims for payment relating  
2 to false bid credits may be subject to damages and penalties  
3 under applicable law.

4 (e) The Department shall adopt any rules deemed necessary  
5 to implement this Section. In order to provide for the  
6 expeditious and timely implementation of this Act, the  
7 Department may adopt emergency rules. The adoption of  
8 emergency rules authorized by this subsection is deemed to be  
9 necessary for the public interest, safety, and welfare.

10 (Source: P.A. 103-8, eff. 6-7-23; 103-305, eff. 7-28-23;  
11 103-588, eff. 6-5-24; 103-605, eff. 7-1-24; 104-2, eff.  
12 6-16-25.)

13 Section 90-20. The Property Tax Code is amended by adding  
14 Division 22 as follows:

15 (35 ILCS 200/Art. 10 Div. 22 heading new)

16 Division 22. Commercial energy storage systems

17 (35 ILCS 200/10-920 new)

18 Sec. 10-920. Definitions. As used in this Division:

19 "Allowance for physical depreciation" means the product of  
20 the quotient that is generated by dividing the actual age in  
21 years of the commercial energy storage system on the  
22 assessment date by 25 years multiplied by the commercial  
23 energy storage system's trended real property cost basis.

1 "Allowance for physical depreciation" may not exceed an amount  
2 that reduces the value of the commercial energy storage system  
3 to 30% of its trended real property cost basis or less.

4 "Commercial energy storage system" means any device or  
5 assembly of devices that is (i) either installed as a  
6 stand-alone system or tied to a power generation system, (ii)  
7 used for the primary purpose of storing of energy for  
8 wholesale or retail sale and not primarily for storage to  
9 later consume on the property on which the device resides, and  
10 (iii) an energy storage system, as defined in Section 16-135  
11 of the Public Utilities Act.

12 "Commercial energy storage system real property cost  
13 basis" means the owner of the commercial energy storage  
14 system's interest in the land within the project boundaries  
15 and real property improvements and shall be calculated at \$65  
16 per kilowatt-hour of rated kilowatt-hour energy capacity.

17 "Consumer Price Index" means the index published by the  
18 Bureau of Labor Statistics of the United States Department of  
19 Labor that measures the average change in prices of goods and  
20 services purchased by all urban consumers, United States city  
21 average, all items, 1982-84 = 100.

22 "Rated kWh energy capacity" means the maximum amount of  
23 stored energy in kilowatt hours. "Trended real property cost  
24 basis" means the commercial energy storage system real  
25 property cost basis multiplied by the trending factor.

26 "Trending factor" means the following:

1           (1) for stand-alone commercial energy storage systems,  
2           the lesser of 2% or the number generated by dividing the  
3           Consumer Price Index published by the Bureau of Labor  
4           Statistics in the December immediately preceding the  
5           assessment date by the Consumer Price Index published by  
6           the Bureau of Labor Statistics in December of 2024; or

7           (2) for commercial energy storage systems tied to a  
8           power generation system, a trending factor of 1.00.

9           (35 ILCS 200/10-925 new)

10          Sec. 10-925. Improvement valuation of commercial energy  
11          systems. Beginning in assessment year 2026, the fair cash  
12          value of commercial energy storage system improvements shall  
13          be determined by subtracting the allowance for physical  
14          depreciation from the commercial energy storage system trended  
15          real property cost basis. Functional obsolescence and external  
16          obsolescence of the commercial energy storage system  
17          improvements may further reduce the fair cash value of the  
18          improvements to the extent the obsolescence is proven by the  
19          taxpayer by clear and convincing evidence, except that the  
20          combined depreciation from all functional and economic  
21          obsolescence shall not exceed 70% of the trended real property  
22          cost basis. The chief county assessment officer may make  
23          reasonable adjustments to the actual age of the commercial  
24          energy storage system to account for the routine replacement  
25          or upgrade of system components.

1 (35 ILCS 200/10-930 new)

2 Sec. 10-930. Commercial energy storage systems;  
3 equalization. Commercial energy storage systems that are  
4 subject to assessment under this Division are not subject to  
5 equalization factors applied by the Department, any board of  
6 review, an assessor, or a chief county assessment officer.

7 (35 ILCS 200/10-935 new)

8 Sec. 10-935. Survey for commercial energy storage systems;  
9 parcel identification numbers. Notwithstanding any other  
10 provision of law, the owner of the commercial energy storage  
11 system shall commission a metes and bounds survey description  
12 of the land upon which the commercial energy storage system is  
13 located, including access routes, over which the owner of the  
14 commercial energy storage system has exclusive control. Land  
15 held for future development shall not be included in the  
16 project area for real property assessment purposes. The owner  
17 of the commercial energy storage system shall, at the owner's  
18 own expense, use a State-registered land surveyor to prepare  
19 the survey. The owner of the commercial energy storage system  
20 shall deliver a copy of the survey to the chief county  
21 assessment officer and to the owner of the land upon which the  
22 commercial energy storage system is located. Upon receiving a  
23 copy of the survey and an agreed acknowledgment to the  
24 separate parcel identification number by the owner of the land

1 upon which the commercial energy storage system is  
2 constructed, the chief county assessment officer shall issue a  
3 separate parcel identification number for the real property  
4 improvements, including the land containing the commercial  
5 energy storage system, to be used only for the purposes of  
6 property assessment for taxation. If no survey is provided,  
7 the chief county assessment officer shall determine the area  
8 of the site that is occupied by the commercial energy storage  
9 system. The chief county assessment officer's determination  
10 shall be final and may not be challenged on review by the owner  
11 of the commercial energy storage system. The property records  
12 shall contain the legal description of the commercial energy  
13 storage system parcel and describe any leasehold interest or  
14 other interest of the owner of the commercial energy storage  
15 system in the property. A plat prepared under this Section  
16 shall not be construed as a violation of the Plat Act.

17 Surveys that are prepared in accordance with either  
18 Section 10-740 or Section 10-620 and that also include the  
19 location of a commercial energy storage system in the survey's  
20 metes and bounds description shall satisfy the requirements of  
21 this Section.

22 (35 ILCS 200/10-940 new)

23 Sec. 10-940. Real estate taxes. Notwithstanding the  
24 provisions of Section 9-175 of this Code, the owner of the  
25 commercial energy storage system shall be liable for the real

1 estate taxes for the land and real property improvements of  
2 the commercial energy storage system. Notwithstanding the  
3 foregoing, the owner of the land upon which a commercial  
4 energy storage system is located may pay any unpaid tax of the  
5 commercial energy storage system parcel prior to the  
6 initiation of any tax sale proceedings.

7 (35 ILCS 200/10-945 new)

8 Sec. 10-945. Property assessed as farmland.  
9 Notwithstanding any other provision of law, real property  
10 assessed as farmland in accordance with Section 10-110 in the  
11 assessment year prior to valuation under this Division shall  
12 return to being assessed as farmland in accordance with  
13 Section 10-110 in the year following completion of the removal  
14 of the commercial energy storage system if the property is  
15 returned to a farm use, as defined in Section 1-60,  
16 notwithstanding that the land was not used for farming for the  
17 2 preceding years.

18 (35 ILCS 200/10-950 new)

19 Sec. 10-950. Abatements. Any taxing district may, upon a  
20 majority vote of its governing authority and after the  
21 determination of the assessed valuation as set forth in this  
22 Code, order the clerk of the appropriate municipality or  
23 county to abate any portion of real property taxes otherwise  
24 levied or extended by the taxing district on a commercial

1 energy storage system.

2 (35 ILCS 200/10-953 new)

3 Sec. 10-953. Cook County exemption. This Division 22 does  
4 not apply to any property located within Cook County.

5 (35 ILCS 200/10-955 new)

6 Sec. 10-955. Applicability. The provisions of this  
7 Division apply for assessment years 2026 through 2040.

8 Section 90-26. The Counties Code is amended by adding  
9 Division 5-46 and Section 5-12024 and changing Section 5-12020  
10 as follows:

11 (55 ILCS 5/5-12020)

12 Sec. 5-12020. Commercial wind energy facilities and  
13 commercial solar energy facilities.

14 (a) As used in this Section:

15 "Commercial solar energy facility" means a "commercial  
16 solar energy system" as defined in Section 10-720 of the  
17 Property Tax Code. "Commercial solar energy facility" does not  
18 mean a utility-scale solar energy facility being constructed  
19 at a site that was eligible to participate in a procurement  
20 event conducted by the Illinois Power Agency pursuant to  
21 subsection (c-5) of Section 1-75 of the Illinois Power Agency  
22 Act.



1 "Commercial wind energy facility" means a wind energy  
2 conversion facility of equal or greater than 500 kilowatts in  
3 total nameplate generating capacity. "Commercial wind energy  
4 facility" includes a wind energy conversion facility seeking  
5 an extension of a permit to construct granted by a county or  
6 municipality before January 27, 2023 (the effective date of  
7 Public Act 102-1123).

8 "Facility owner" means (i) a person with a direct  
9 ownership interest in a commercial wind energy facility or a  
10 commercial solar energy facility, or both, regardless of  
11 whether the person is involved in acquiring the necessary  
12 rights, permits, and approvals or otherwise planning for the  
13 construction and operation of the facility, and (ii) at the  
14 time the facility is being developed, a person who is acting as  
15 a developer of the facility by acquiring the necessary rights,  
16 permits, and approvals or by planning for the construction and  
17 operation of the facility, regardless of whether the person  
18 will own or operate the facility.

19 "Nonparticipating property" means real property that is  
20 not a participating property.

21 "Nonparticipating residence" means a residence that is  
22 located on nonparticipating property and that is existing and  
23 occupied on the date that an application for a permit to  
24 develop the commercial wind energy facility or the commercial  
25 solar energy facility is filed with the county.

26 "Occupied community building" means any one or more of the

1 following buildings that is existing and occupied on the date  
2 that the application for a permit to develop the commercial  
3 wind energy facility or the commercial solar energy facility  
4 is filed with the county: a school, place of worship, day care  
5 facility, public library, or community center.

6 "Participating property" means real property that is the  
7 subject of a written agreement between a facility owner and  
8 the owner of the real property that provides the facility  
9 owner an easement, option, lease, or license to use the real  
10 property for the purpose of constructing a commercial wind  
11 energy facility, a commercial solar energy facility, or  
12 supporting facilities. "Participating property" also includes  
13 real property that is owned by a facility owner for the purpose  
14 of constructing a commercial wind energy facility, a  
15 commercial solar energy facility, or supporting facilities.

16 "Participating residence" means a residence that is  
17 located on participating property and that is existing and  
18 occupied on the date that an application for a permit to  
19 develop the commercial wind energy facility or the commercial  
20 solar energy facility is filed with the county.

21 "Protected lands" means real property that is:

22 (1) subject to a permanent conservation right  
23 consistent with the Real Property Conservation Rights Act;  
24 or

25 (2) registered or designated as a nature preserve,  
26 buffer, or land and water reserve under the Illinois

1 Natural Areas Preservation Act.

2 "Supporting facilities" means the transmission lines,  
3 substations, access roads, meteorological towers, storage  
4 containers, and equipment associated with the generation and  
5 storage of electricity by the commercial wind energy facility  
6 or commercial solar energy facility. "Supporting facilities"  
7 includes energy storage systems capable of absorbing energy  
8 and storing it for use at a later time, including, but not  
9 limited to, batteries and other electrochemical and  
10 electromechanical technologies or systems.

11 "Wind tower" includes the wind turbine tower, nacelle, and  
12 blades.

13 (b) Notwithstanding any other provision of law or whether  
14 the county has formed a zoning commission and adopted formal  
15 zoning under Section 5-12007, a county may establish standards  
16 for commercial wind energy facilities, commercial solar energy  
17 facilities, or both. The standards may include all of the  
18 requirements specified in this Section but may not include  
19 requirements for commercial wind energy facilities or  
20 commercial solar energy facilities that are more restrictive  
21 than specified in this Section. A county may also regulate the  
22 siting of commercial wind energy facilities with standards  
23 that are not more restrictive than the requirements specified  
24 in this Section in unincorporated areas of the county that are  
25 outside the zoning jurisdiction of a municipality and that are  
26 outside the 1.5-mile radius surrounding the zoning

1 jurisdiction of a municipality. A county may also regulate the  
2 siting of commercial solar energy facilities with standards  
3 that are not more restrictive than the requirements specified  
4 in this Section in unincorporated areas of the county that are  
5 outside of the zoning jurisdiction of a municipality.

6 (c) If a county has elected to establish standards under  
7 subsection (b), before the county grants siting approval or a  
8 special use permit for a commercial wind energy facility or a  
9 commercial solar energy facility, or modification of an  
10 approved siting or special use permit, the county board of the  
11 county in which the facility is to be sited or the zoning board  
12 of appeals for the county shall hold at least one public  
13 hearing. The public hearing shall be conducted in accordance  
14 with the Open Meetings Act and shall conclude ~~be held~~ not more  
15 than 60 days after the filing of the application for the  
16 facility. The county shall allow interested parties to a  
17 special use permit an opportunity to present evidence and to  
18 cross-examine witnesses at the hearing, but the county may  
19 impose reasonable restrictions on the public hearing,  
20 including reasonable time limitations on the presentation of  
21 evidence and the cross-examination of witnesses. The county  
22 shall also allow public comment at the public hearing in  
23 accordance with the Open Meetings Act. The county shall make  
24 its siting and permitting decisions not more than 30 days  
25 after the conclusion of the public hearing. Notice of the  
26 hearing shall be published in a newspaper of general

1 circulation in the county. A facility owner must enter into an  
 2 agricultural impact mitigation agreement with the Department  
 3 of Agriculture prior to the date of the required public  
 4 hearing. A commercial wind energy facility owner seeking an  
 5 extension of a permit granted by a county prior to July 24,  
 6 2015 (the effective date of Public Act 99-132) must enter into  
 7 an agricultural impact mitigation agreement with the  
 8 Department of Agriculture prior to a decision by the county to  
 9 grant the permit extension. Counties may allow test wind  
 10 towers or test solar energy systems to be sited without formal  
 11 approval by the county board.

12 (d) A county with an existing zoning ordinance in conflict  
 13 with this Section shall amend that zoning ordinance to be in  
 14 compliance with this Section within 120 days after January 27,  
 15 2023 (the effective date of Public Act 102-1123).

16 (e) A county may require:

17 (1) a wind tower of a commercial wind energy facility  
 18 to be sited as follows, with setback distances measured  
 19 from the center of the base of the wind tower:

20 Setback Description	Setback Distance
21 Occupied Community 22 Buildings	2.1 times the maximum blade tip height of the wind tower to the 23 nearest point on the outside 24 wall of the structure

1	Participating Residences	1.1 times the maximum blade tip
2		height of the wind tower to the
3		nearest point on the outside
4		wall of the structure
5	Nonparticipating Residences	2.1 times the maximum blade tip
6		height of the wind tower to the
7		nearest point on the outside
8		wall of the structure
9	Boundary Lines of	None
10	Participating Property	
11	Boundary Lines of	1.1 times the maximum blade tip
12	Nonparticipating Property	height of the wind tower to the
13		nearest point on the property
14		line of the nonparticipating
15		property
16	Public Road Rights-of-Way	1.1 times the maximum blade tip
17		height of the wind tower
18		to the center point of the
19		public road right-of-way
20	Overhead Communication and	1.1 times the maximum blade tip

1 Electric Transmission height of the wind tower to the  
 2 and Distribution Facilities nearest edge of the property  
 3 (Not Including Overhead line, easement, or  
 4 Utility Service Lines to right-of-way  
 5 Individual Houses or containing the overhead line  
 6 Outbuildings)

7 Overhead Utility Service None  
 8 Lines to Individual  
 9 Houses or Outbuildings

10 Fish and Wildlife Areas 2.1 times the maximum blade  
 11 and Illinois Nature tip height of the wind tower  
 12 Preserve Commission to the nearest point on the  
 13 Protected Lands property line of the fish and  
 14 wildlife area or protected  
 15 land

16 This Section does not exempt or excuse compliance with  
 17 electric facility clearances approved or required by the  
 18 National Electrical Code, the ~~The~~ National Electrical  
 19 Safety Code, the Illinois Commerce Commission, and the  
 20 Federal Energy Regulatory Commission, and their designees  
 21 or successors;:-

22 (2) a wind tower of a commercial wind energy facility  
 23 to be sited so that industry standard computer modeling  
 24 indicates that any occupied community building or

1 nonparticipating residence will not experience more than  
 2 30 hours per year of shadow flicker under planned  
 3 operating conditions;

4 (3) a commercial solar energy facility to be sited as  
 5 follows, with setback distances measured from the nearest  
 6 edge of any above-ground component of the facility,  
 7 excluding fencing:

8	Setback Description	Setback Distance
9	Occupied Community	150 feet from the nearest
10	Buildings and Dwellings on	point on the outside wall
11	Nonparticipating Properties	of the structure
12	Boundary Lines of	None
13	Participating Property	
14	Public Road Rights-of-Way	50 feet from the nearest
15		edge <u>of the public</u>
16		<u>right-of-way</u>
17	Boundary Lines of	50 feet to the nearest
18	Nonparticipating Property	point on the property
19		line of the nonparticipating
20		property



1           (4) a commercial solar energy facility to be sited so  
2           that the facility's perimeter is enclosed by fencing  
3           having a height of at least 6 feet and no more than 25  
4           feet; and

5           (5) a commercial solar energy facility to be sited so  
6           that no component of a solar panel has a height of more  
7           than 20 feet above ground when the solar energy facility's  
8           arrays are at full tilt.

9           The requirements set forth in this subsection (e) may be  
10          waived subject to the written consent of the owner of each  
11          affected nonparticipating property.

12          (f) A county may not set a sound limitation for wind towers  
13          in commercial wind energy facilities or any components in  
14          commercial solar energy facilities that is more restrictive  
15          than the sound limitations established by the Illinois  
16          Pollution Control Board under 35 Ill. Adm. Code Parts 900,  
17          901, and 910.

18          (g) A county may not place any restriction on the  
19          installation or use of a commercial wind energy facility or a  
20          commercial solar energy facility unless it adopts an ordinance  
21          that complies with this Section. A county may not establish  
22          siting standards for supporting facilities that preclude  
23          development of commercial wind energy facilities or commercial  
24          solar energy facilities.

25          A request for siting approval or a special use permit for a  
26          commercial wind energy facility or a commercial solar energy

1 facility, or modification of an approved siting or special use  
2 permit, shall be approved if the request is in compliance with  
3 the standards and conditions imposed in this Act, the zoning  
4 ordinance adopted consistent with this Act Code, and the  
5 conditions imposed under State and federal statutes and  
6 regulations.

7 (h) A county may not adopt zoning regulations that  
8 disallow, permanently or temporarily, commercial wind energy  
9 facilities or commercial solar energy facilities from being  
10 developed or operated in any district zoned to allow  
11 agricultural or industrial uses.

12 (i) (Blank). ~~A county may not require permit application~~  
13 ~~fees for a commercial wind energy facility or commercial solar~~  
14 ~~energy facility that are unreasonable. All application fees~~  
15 ~~imposed by the county shall be consistent with fees for~~  
16 ~~projects in the county with similar capital value and cost.~~

17 (i-5) All siting approval or special use permit  
18 application fees for a commercial wind energy facility or  
19 commercial solar energy facility shall not exceed \$5,000 per  
20 each megawatt of nameplate capacity of the energy facility,  
21 and the maximum fee is \$125,000. A county may also require  
22 reimbursement from the applicant for any reasonable expenses  
23 incurred by the county in processing the siting approval or  
24 special use permit application in excess of the maximum fee. A  
25 siting approval or special use permit shall not be subject to  
26 any time deadline to start construction or obtain a building

1 permit of less than 5 years from the date of siting approval or  
2 special use permit approval. A county shall allow an applicant  
3 to request an extension of the deadline based upon reasonable  
4 cause for the extension request. The exemption shall not be  
5 unreasonably withheld, conditioned, or denied.

6 (i-10) A county may require, for a commercial wind energy  
7 facility or commercial solar energy facility, a single  
8 building permit and permit fee for the facility which includes  
9 all supporting facilities. A county building permit fee for a  
10 commercial wind energy facility or commercial solar energy  
11 facility shall not exceed \$5,000 per each megawatt of  
12 nameplate capacity of the energy facility, and the maximum fee  
13 is \$75,000. A county may also require reimbursement from the  
14 applicant for any reasonable expenses incurred by the county  
15 in processing the building permit in excess of the maximum  
16 fee. A county may require an applicant, upon start of  
17 construction of the facility, to maintain liability insurance  
18 that is commercially reasonable and consistent with prevailing  
19 industry standards for similar energy facilities.

20 (j) Except as otherwise provided in this Section, a county  
21 shall not require standards for construction, decommissioning,  
22 or deconstruction of a commercial wind energy facility or  
23 commercial solar energy facility or related financial  
24 assurances that are more restrictive than those included in  
25 the Department of Agriculture's standard wind farm  
26 agricultural impact mitigation agreement, template 81818, or

1 standard solar agricultural impact mitigation agreement,  
2 version 8.19.19, as applicable and in effect on December 31,  
3 2022. The amount of any decommissioning payment shall be in  
4 accordance with the financial assurance required by those  
5 agricultural impact mitigation agreements.

6 (j-5) A commercial wind energy facility or a commercial  
7 solar energy facility shall file a farmland drainage plan with  
8 the county and impacted drainage districts outlining how  
9 surface and subsurface drainage of farmland will be restored  
10 during and following construction or deconstruction of the  
11 facility. The plan is to be created independently by the  
12 facility developer and shall include the location of any  
13 potentially impacted drainage district facilities to the  
14 extent this information is publicly available from the county  
15 or the drainage district, plans to repair any subsurface  
16 drainage affected during construction or deconstruction using  
17 procedures outlined in the agricultural impact mitigation  
18 agreement entered into by the commercial wind energy facility  
19 owner or commercial solar energy facility owner, and  
20 procedures for the repair and restoration of surface drainage  
21 affected during construction or deconstruction. All surface  
22 and subsurface damage shall be repaired as soon as reasonably  
23 practicable.

24 (k) A county may not condition approval of a commercial  
25 wind energy facility or commercial solar energy facility on a  
26 property value guarantee and may not require a facility owner

1 to pay into a neighboring property devaluation escrow account.

2 (l) A county may require certain vegetative screening  
3 between a surrounding a commercial wind energy facility or  
4 commercial solar energy facility and nonparticipating  
5 residences. A county but may not require earthen berms or  
6 similar structures. Vegetative screening requirements shall be  
7 commercially reasonable and limited in height at full maturity  
8 to avoid reduction of the productive energy output of the  
9 commercial solar energy facility. A county may not require  
10 vegetative screening to exceed 5 feet in height when first  
11 installed or prior to commercial operation date. The screening  
12 requirements shall take into account the size and location of  
13 the facility, visibility from nonparticipating residences,  
14 compatibility of native plant species, cost and feasibility of  
15 installation and maintenance, and industry standards and best  
16 practices for commercial solar energy facilities.

17 (m) A county may set blade tip height limitations for wind  
18 towers in commercial wind energy facilities but may not set a  
19 blade tip height limitation that is more restrictive than the  
20 height allowed under a Determination of No Hazard to Air  
21 Navigation by the Federal Aviation Administration under 14 CFR  
22 Part 77.

23 (n) A county may require that a commercial wind energy  
24 facility owner or commercial solar energy facility owner  
25 provide:

26 (1) the results and recommendations from consultation

1 with the Illinois Department of Natural Resources that are  
2 obtained through the Ecological Compliance Assessment Tool  
3 (EcoCAT) or a comparable successor tool; and

4 (2) the results of the United States Fish and Wildlife  
5 Service's Information for Planning and Consulting  
6 environmental review or a comparable successor tool that  
7 is consistent with (i) the "U.S. Fish and Wildlife  
8 Service's Land-Based Wind Energy Guidelines" and (ii) any  
9 applicable United States Fish and Wildlife Service solar  
10 wildlife guidelines that have been subject to public  
11 review.

12 (o) A county may require a commercial wind energy facility  
13 or commercial solar energy facility to adhere to the  
14 recommendations provided by the Illinois Department of Natural  
15 Resources in an EcoCAT natural resource review report under 17  
16 Ill. Adm. Code Part 1075.

17 (p) A county may require a facility owner to:

18 (1) demonstrate avoidance of protected lands as  
19 identified by the Illinois Department of Natural Resources  
20 and the Illinois Nature Preserve Commission; or

21 (2) consider the recommendations of the Illinois  
22 Department of Natural Resources for setbacks from  
23 protected lands, including areas identified by the  
24 Illinois Nature Preserve Commission.

25 (q) A county may require that a facility owner provide  
26 evidence of consultation with the Illinois State Historic

1 Preservation Office to assess potential impacts on  
2 State-registered historic sites under the Illinois State  
3 Agency Historic Resources Preservation Act.

4 (r) To maximize community benefits, including, but not  
5 limited to, reduced stormwater runoff, flooding, and erosion  
6 at the ground mounted solar energy system, improved soil  
7 health, and increased foraging habitat for game birds,  
8 songbirds, and pollinators, a county may (1) require a  
9 commercial solar energy facility owner to plant, establish,  
10 and maintain for the life of the facility vegetative ground  
11 cover, consistent with the goals of the Pollinator-Friendly  
12 Solar Site Act and (2) require the submittal of a vegetation  
13 management plan that is in compliance with the agricultural  
14 impact mitigation agreement in the application to construct  
15 and operate a commercial solar energy facility in the county  
16 if the vegetative ground cover and vegetation management plan  
17 comply with the requirements of the underlying agreement with  
18 the landowner or landowners where the facility will be  
19 constructed.

20 No later than 90 days after January 27, 2023 (the  
21 effective date of Public Act 102-1123), the Illinois  
22 Department of Natural Resources shall develop guidelines for  
23 vegetation management plans that may be required under this  
24 subsection for commercial solar energy facilities. The  
25 guidelines must include guidance for short-term and long-term  
26 property management practices that provide and maintain native

1 and non-invasive naturalized perennial vegetation to protect  
2 the health and well-being of pollinators.

3 (s) If a facility owner enters into a road use agreement  
4 with the Illinois Department of Transportation, a road  
5 district, or other unit of local government relating to a  
6 commercial wind energy facility or a commercial solar energy  
7 facility, the road use agreement shall require the facility  
8 owner to be responsible for (i) the reasonable cost of  
9 improving roads used by the facility owner to construct the  
10 commercial wind energy facility or the commercial solar energy  
11 facility and (ii) the reasonable cost of repairing roads used  
12 by the facility owner during construction of the commercial  
13 wind energy facility or the commercial solar energy facility  
14 so that those roads are in a condition that is safe for the  
15 driving public after the completion of the facility's  
16 construction. Roadways improved in preparation for and during  
17 the construction of the commercial wind energy facility or  
18 commercial solar energy facility shall be repaired and  
19 restored to the improved condition at the reasonable cost of  
20 the developer if the roadways have degraded or were damaged as  
21 a result of construction-related activities.

22 The road use agreement shall not require the facility  
23 owner to pay costs, fees, or charges for road work that is not  
24 specifically and uniquely attributable to the construction of  
25 the commercial wind energy facility or the commercial solar  
26 energy facility. No road district or other unit of local



1 government may request or require permit fees, fines, or other  
2 payment obligations as a requirement for a road use agreement  
3 with a facility owner unless the amount of the permit fee or  
4 payment is equivalent to the amount of actual expenses  
5 incurred by the road district or other unit of local  
6 government for negotiating, executing, constructing, or  
7 implementing the road use agreement. The road use agreement  
8 shall not require any road work to be performed by or paid for  
9 by the facility owner that is unrelated to the road  
10 improvements required for the construction of the commercial  
11 wind energy facility or the commercial solar energy facility  
12 or the restoration of the roads used by the facility owner  
13 during construction-related activities. ~~Road-related fees,~~  
14 ~~permit fees, or other charges imposed by the Illinois~~  
15 ~~Department of Transportation, a road district, or other unit~~  
16 ~~of local government under a road use agreement with the~~  
17 ~~facility owner shall be reasonably related to the cost of~~  
18 ~~administration of the road use agreement.~~

19 (s-5) The facility owner shall also compensate landowners  
20 for crop losses or other agricultural damages resulting from  
21 damage to the drainage system caused by the construction of  
22 the commercial wind energy facility or the commercial solar  
23 energy facility. The commercial wind energy facility owner or  
24 commercial solar energy facility owner shall repair or pay for  
25 the repair of all damage to the subsurface drainage system  
26 caused by the construction of the commercial wind energy

1 facility or the commercial solar energy facility in accordance  
2 with the agriculture impact mitigation agreement requirements  
3 for repair of drainage. The commercial wind energy facility  
4 owner or commercial solar energy facility owner shall repair  
5 or pay for the repair and restoration of surface drainage  
6 caused by the construction or deconstruction of the commercial  
7 wind energy facility or the commercial solar energy facility  
8 as soon as reasonably practicable.

9 (t) Notwithstanding any other provision of law, a facility  
10 owner with siting approval from a county to construct a  
11 commercial wind energy facility or a commercial solar energy  
12 facility is authorized to cross or impact a drainage system,  
13 including, but not limited to, drainage tiles, open drainage  
14 ditches, culverts, and water gathering vaults, owned or under  
15 the control of a drainage district under the Illinois Drainage  
16 Code without obtaining prior agreement or approval from the  
17 drainage district in accordance with the farmland drainage  
18 plan required by subsection (j-5).

19 (u) The amendments to this Section adopted in Public Act  
20 102-1123 do not apply to: (1) an application for siting  
21 approval or for a special use permit for a commercial wind  
22 energy facility or commercial solar energy facility if the  
23 application was submitted to a unit of local government before  
24 January 27, 2023 (the effective date of Public Act 102-1123);  
25 (2) a commercial wind energy facility or a commercial solar  
26 energy facility if the facility owner has submitted an

1 agricultural impact mitigation agreement to the Department of  
2 Agriculture before January 27, 2023 (the effective date of  
3 Public Act 102-1123); or (3) a commercial wind energy or  
4 commercial solar energy development on property that is  
5 located within an enterprise zone certified under the Illinois  
6 Enterprise Zone Act, that was classified as industrial by the  
7 appropriate zoning authority on or before January 27, 2023,  
8 and that is located within 4 miles of the intersection of  
9 Interstate 88 and Interstate 39.

10 (Source: P.A. 102-1123, eff. 1-27-23; 103-81, eff. 6-9-23;  
11 103-580, eff. 12-8-23; revised 7-29-24.)

12 (55 ILCS 5/5-12024 new)

13 Sec. 5-12024. Energy storage systems.

14 (a) As used in this Section:

15 "Energy storage system" means a facility with an aggregate  
16 energy capacity that is greater than 1,000 kilowatts and that  
17 is capable of absorbing energy and storing it for use at a  
18 later time, including, but not limited to, electrochemical and  
19 electromechanical technologies. "Energy storage system" does  
20 not include technologies that require combustion. "Energy  
21 storage system" also does not include energy storage systems  
22 associated with commercial solar energy facilities or  
23 commercial wind energy facilities as defined in Section  
24 5-12020.

25 "Excused service interruption" means any period during

1 which an energy storage system does not store or discharge  
2 electricity and that is planned or reasonably foreseeable for  
3 standard commercial operation, including any unavailability  
4 caused by a buyer; storage capacity tests; system emergencies;  
5 curtailments, including curtailment orders; transmission  
6 system outages; compliance with any operating restriction;  
7 serial defects; and planned outages.

8 "Facility owner" means (i) a person with a direct  
9 ownership interest in an energy storage system, regardless of  
10 whether the person is involved in acquiring the necessary  
11 rights, permits, and approvals or otherwise planning for the  
12 construction and operation of the facility and (ii) a person  
13 who, at the time the facility is being developed, is acting as  
14 a developer of the facility by acquiring the necessary rights,  
15 permits, and approvals or by planning for the construction and  
16 operation of the facility, regardless of whether the person  
17 will own or operate the facility.

18 "Force majeure" means any event or circumstance that  
19 delays or prevents an energy storage system from timely  
20 performing all or a portion of its commercial operations if  
21 the act or event, despite the exercise of commercially  
22 reasonable efforts, cannot be avoided by and is beyond the  
23 reasonable control, whether direct or indirect, of, and  
24 without the fault or negligence of, a facility owner or  
25 operator or any of its assignees. "Force majeure" includes,  
26 but is not limited to:

1           (1) fire, flood, tornado, or other natural disasters  
2           or acts of God;

3           (2) war, civil strife, terrorist attack, or other  
4           similar acts of violence;

5           (3) unavailability of materials, equipment, services,  
6           or labor, including unavailability due to global supply  
7           chain shortages;

8           (4) utility or energy shortages or acts or omissions  
9           of public utility providers;

10          (5) any delay resulting from a pandemic, epidemic, or  
11          other public health emergency or related restrictions; and

12          (6) litigation or a regulatory proceeding regarding a  
13          facility.

14          "NFPA" means the National Fire Protection Association.

15          "Nonparticipating property" means real property that is  
16          not a participating property.

17          "Nonparticipating residence" means a residence that is  
18          located on nonparticipating property and that exists and is  
19          occupied on the date that the application for a permit to  
20          develop an energy storage system is filed with the county.

21          "Occupied community building" means a school, place of  
22          worship, day care facility, public library, or community  
23          center that is occupied on the date that the application for a  
24          permit to develop an energy storage system is filed with the  
25          county in which the building is located.

26          "Participating property" means real property that is the

1 subject of a written agreement between a facility owner and  
2 the owner of the real property and that provides the facility  
3 owner an easement, option, lease, or license to use the real  
4 property for the purpose of constructing an energy storage  
5 system or supporting facilities.

6 "Protected lands" means real property that is: (i) subject  
7 to a permanent conservation right consistent with the Real  
8 Property Conservation Rights Act; or (ii) registered or  
9 designated as a nature preserve, buffer, or land and water  
10 reserve under the Illinois Natural Areas Preservation Act.

11 "Supporting facilities" means the transmission lines,  
12 substations, switchyard, access roads, meteorological towers,  
13 storage containers, and equipment associated with the  
14 generation, storage, and dispatch of electricity by an energy  
15 storage system.

16 (b) Notwithstanding any other provision of law, if a  
17 county has formed a zoning commission and adopted formal  
18 zoning under Section 5-12007, then a county may establish  
19 standards for energy storage systems in areas of the county  
20 that are not within the zoning jurisdiction of a municipality.  
21 The standards may include all of the requirements specified in  
22 this Section but may not include requirements for energy  
23 storage systems that are more restrictive than specified in  
24 this Section or requirements that are not specified in this  
25 Section.

26 (c) A county may require the energy storage facility to

1 comply with the version of NFPA 855 "Standard for the  
2 Installation of Stationary Energy Storage Systems" in effect  
3 on the effective date of this amendatory Act or any successor  
4 standard issued by the NFPA in effect on the date of siting or  
5 special use permit approval. A county may not include  
6 requirements for energy storage systems that are more  
7 restrictive than NFPA 855 "Standard for the Installation of  
8 Stationary Energy Storage Systems" unless required by this  
9 Section.

10 (d) If a county has elected to establish standards under  
11 subsection (b), then the zoning board of appeals for the  
12 county shall hold at least one public hearing before the  
13 county grants (i) siting approval or a special use permit for  
14 an energy storage system or (ii) modification of an approved  
15 siting or special use permit. The public hearing shall be  
16 conducted in accordance with the Open Meetings Act and shall  
17 conclude not more than 60 days after the filing of the  
18 application for the facility. The county shall allow  
19 interested parties to a special use permit an opportunity to  
20 present evidence and to cross-examine witnesses at the  
21 hearing, but the county may impose reasonable restrictions on  
22 the public hearing, including reasonable time limitations on  
23 the presentation of evidence and the cross-examination of  
24 witnesses. The county shall also allow public comment at the  
25 public hearing in accordance with the Open Meetings Act. The  
26 county shall make its siting and permitting decisions not more

1 than 30 days after the conclusion of the public hearing.  
 2 Notice of the hearing shall be published in a newspaper of  
 3 general circulation in the county.

4 (e) A county with an existing zoning ordinance in conflict  
 5 with this Section shall amend that zoning ordinance to comply  
 6 with this Section within 120 days after the effective date of  
 7 this amendatory Act of the 104th General Assembly.

8 (f) A county shall require an energy storage system to be  
 9 sited as follows, with setback distances measured from the  
 10 nearest edge of the nearest battery or other electrochemical  
 11 or electromechanical enclosure:

<u>Setback Description</u>	<u>Setback Distance</u>
<u>Occupied Community</u> <u>Buildings and</u> <u>Nonparticipating Residences</u>	<u>150 feet from the nearest</u> <u>point of the outside wall of</u> <u>the occupied community building</u> <u>or nonparticipating residence</u>
<u>Boundary Lines of</u> <u>Occupied Community</u> <u>Buildings and</u> <u>Nonparticipating Residences</u>	<u>50 feet to the nearest point</u> <u>on the property line of</u> <u>the occupied community building</u> <u>or nonparticipating property</u>
<u>Public Road Rights-of-Way</u>	<u>50 feet from the nearest edge</u> <u>of the right-of-way</u>



1           (2) A county shall also require an energy storage  
2           system to be sited so that the facility's perimeter is  
3           enclosed by fencing having a height of at least 7 feet and  
4           no more than 25 feet.

5           This Section does not exempt or excuse compliance with  
6           electric facility clearances approved or required by the  
7           National Electrical Code, the National Electrical Safety Code,  
8           the Illinois Commerce Commission, the Federal Energy  
9           Regulatory Commission, and their designees or successors.

10          (g) A county may not set a sound limitation for energy  
11          storage systems that is more restrictive than the sound  
12          limitations established by the Illinois Pollution Control  
13          Board under 35 Ill. Adm. Code Parts 900, 901, and 910. After  
14          commercial operation, a county may require the facility owner  
15          to provide, not more than once, octave band sound pressure  
16          level measurements from a reasonable number of sampled  
17          locations at the perimeter of the energy storage system to  
18          demonstrate compliance with this Section.

19          (h) The provisions set forth in subsection (f) may be  
20          waived subject to the written consent of the owner of each  
21          affected nonparticipating property or nonparticipating  
22          residence.

23          (i) A county may not place any restriction on the  
24          installation or use of an energy storage system unless it has  
25          formed a zoning commission and adopted formal zoning under  
26          Section 5-12007 and adopts an ordinance that complies with

1 this Section. A county may not establish siting standards for  
2 supporting facilities that preclude development of an energy  
3 storage system.

4 (j) A request for siting approval or a special use permit  
5 for an energy storage system, or modification of an approved  
6 siting approval or special use permit, shall be approved if  
7 the request complies with the standards and conditions imposed  
8 in this Code, the zoning ordinance adopted consistent with  
9 this Section, and other State and federal statutes and  
10 regulations. The siting approval or special use permit  
11 approved by the county shall grant the facility owner a period  
12 of at least 3 years after county approval to obtain a building  
13 permit or commence construction of the energy storage system,  
14 before the siting approval or special use permit may become  
15 subject to revocation by the county. Facility owners may be  
16 granted an extension on obtaining building permits or  
17 commencing constructing upon a showing of good cause. A  
18 facility owner's request for an extension may not be  
19 unreasonably withheld, conditioned, or denied.

20 (k) A county may not adopt zoning regulations that  
21 disallow, permanently or temporarily, an energy storage system  
22 from being developed or operated in any district zones to  
23 allow agricultural or industrial uses.

24 (l) A facility owner shall file a farmland drainage plan  
25 with the county and impacted drainage districts that outlines  
26 how surface and subsurface drainage of farmland will be

1 restored during and following the construction or  
2 deconstruction of the energy storage system. The plan shall be  
3 created independently by the facility owner and shall include  
4 the location of any potentially impacted drainage district  
5 facilities to the extent the information is publicly available  
6 from the county or the drainage district and plans to repair  
7 any subsurface drainage affected during construction or  
8 deconstruction using procedures outlined in the  
9 decommissioning plan. All surface and subsurface damage shall  
10 be repaired as soon as reasonably practicable.

11 (m) A facility owner shall compensate landowners for crop  
12 losses or other agricultural damages resulting from damage to  
13 a drainage system caused by the construction of an energy  
14 storage system. The facility owner shall repair or pay for the  
15 repair of all damage to the subsurface drainage system caused  
16 by the construction of the energy storage system. The facility  
17 owner shall repair or pay for the repair and restoration of  
18 surface drainage caused by the construction or deconstruction  
19 of the energy storage facility as soon as reasonably  
20 practicable.

21 (n) County siting approval or special use permit  
22 application fees for an energy storage system shall not exceed  
23 the lesser of (i) \$5,000 per each megawatt of nameplate  
24 capacity of the energy storage system or (ii) \$50,000.

25 (o) The county may require a facility owner to provide a  
26 decommissioning plan to the county. The decommissioning plan

1 may include all requirements for decommissioning plans in NFPA  
2 855 and may also require the facility owner to:

3 (1) state how the energy storage system will be  
4 decommissioned, including removal to a depth of 3 feet of  
5 all structures that have no ongoing purpose and all debris  
6 and restoration of the soil and any vegetation to a  
7 condition as close as reasonably practicable to the soil's  
8 and vegetation's preconstruction condition within 18  
9 months of the end of project life or facility abandonment;

10 (2) include provisions related to commercially  
11 reasonable efforts to reuse or recycle of equipment and  
12 components associated with the commercial offsite energy  
13 storage system;

14 (3) include financial assurance in the form of a  
15 reclamation or surety bond or other commercially available  
16 financial assurance that is acceptable to the county, with  
17 the county or participating property owner as beneficiary.  
18 The amount of the financial assurance shall not be more  
19 than the estimated cost of decommissioning the energy  
20 facility, after deducting salvage value, as calculated by  
21 a professional engineer licensed to practice engineering  
22 in this State with expertise in preparing decommissioning  
23 estimates, retained by the applicant. The financial  
24 assurance shall be provided to the county incrementally as  
25 follows:

26 (A) 25% before the start of full commercial

1           operation;

2           (B) 50% before the start of the 5th year of  
3           commercial operation; and

4           (C) 100% by the start of the tenth year of  
5           commercial operation;

6           (4) update the amount of the financial assurance not  
7           more than every 5 years for the duration of commercial  
8           operations. The amount shall be calculated by a  
9           professional engineer licensed to practice engineering in  
10           this State with expertise in decommissioning, hired by the  
11           facility owner; and

12           (5) decommission the energy storage system, in  
13           accordance with an approved decommissioning plan, within  
14           18 months after abandonment. An energy storage system that  
15           has not stored electrical energy for 12 consecutive months  
16           or that fails, for a period of 6 consecutive months, to pay  
17           a property owner who is party to a written agreement,  
18           including, but not limited to, an easement, option, lease,  
19           or license under the terms of which an energy storage  
20           system is constructed on the property, amounts owed in  
21           accordance with the written agreement shall be considered  
22           abandoned, except when the inability to store energy is  
23           the result of an event of force majeure or excused service  
24           interruption.

25           (p) A county may not condition approval of an energy  
26           storage system on a property value guarantee and may not

1 require a facility owner to pay into a neighboring property  
2 devaluation escrow account.

3 (q) A county may require that a facility owner provide:

4 (1) the results and recommendations from consultation  
5 with the Department of Natural Resources that are obtained  
6 through the Ecological Compliance Assessment Tool (EcoCAT)  
7 or a comparable successor tool; and

8 (2) the results of the United States Fish and Wildlife  
9 Service's Information for Planning and Consulting or a  
10 comparable successor tool.

11 (r) A county may require an energy storage system to  
12 adhere to the recommendations provided by the Department of  
13 Natural Resources in an Agency Action Report under 17 Ill.  
14 Admin. Code 1075.

15 (s) A county may require a facility owner to:

16 (1) demonstrate avoidance of protected lands as  
17 identified by the Department of Natural Resources and the  
18 Illinois Nature Preserves Commission; or

19 (2) consider the recommendations of the Department of  
20 Natural Resources for setbacks from protected lands,  
21 including areas identified by the Illinois Nature  
22 Preserves Commission.

23 (t) A county may require that a facility owner provide  
24 evidence of consultation with the Illinois Historic  
25 Preservation Division to assess potential impacts on  
26 State-registered historic sites under the Illinois State

1 Agency Historic Resources Preservation Act.

2 (u) A county may require that an application for siting  
3 approval or special use permit include the following  
4 information on a site plan:

5 (1) a description of the property lines and physical  
6 features, including roads, for the facility site;

7 (2) a description of the proposed changes to the  
8 landscape of the facility site, including vegetation  
9 clearing and planting, exterior lighting, and screening or  
10 structures; and

11 (3) a description of the zoning district designation  
12 for the parcel of land comprising the facility site.

13 (v) A county may not prohibit an energy storage system  
14 from undertaking periodic augmentation to maintain the  
15 approximate original capacity of the energy storage system. A  
16 county may not require renewed or additional siting approval  
17 or special use permit approval of periodic augmentation to  
18 maintain the approximate original capacity of the energy  
19 storage system.

20 (w) A county that issues a building permit for energy  
21 storage systems shall review and process building permit  
22 applications within 60 days after receipt of the building  
23 permit application. If a county does not grant or deny the  
24 building permit application within 60 days, the building  
25 permit shall be deemed granted. If a county denies a building  
26 permit application, it shall specify the reason for the denial

1 in writing as part of its denial.

2 (x) A county may require a single building permit and  
3 permit fee for the facility which includes all supporting  
4 facilities. A county building permit fee for an energy storage  
5 system shall not exceed the lesser of (i) \$5,000 per each  
6 megawatt of nameplate capacity of the energy storage system or  
7 (ii) \$50,000. A county may require that the application for  
8 building permit contain:

9 (1) an electrical diagram detailing the battery energy  
10 storage system layout, associated components, and  
11 electrical interconnection methods, with all National  
12 Electrical Code compliant disconnects and overcurrent  
13 devices; and

14 (2) an equipment specification sheet.

15 (y) A county may require the facility owner to submit to  
16 the county prior to the facility's commercial operation a  
17 commissioning report meeting the requirements of NFPA 855  
18 Sections 4.2.4, 6.1.3, and 6.1.5.5, as published in 2023, or  
19 the applicable Sections in the most recent version of NFPA  
20 855.

21 (z) A county may require the facility owner to submit to  
22 the county prior to the facility's commercial operation a  
23 hazard mitigation analysis meeting the requirements of NFPA  
24 855 Section 4.4 or the applicable Sections in the most recent  
25 version of NFPA 855.

26 (aa) A county may require the facility owner to submit to



1 the county an emergency operations plan meeting the  
2 requirements of NFPA 855 Section 4.3.2.1.4, published in 2023,  
3 or applicable Sections in the most recent version of NFPA 855,  
4 prior to commercial operation.

5 (bb) A county may require a warning that complies with  
6 requirements in NFPA 855 Section 4.7.4, published in 2023, or  
7 applicable sections in the most recent version of NFPA 855.

8 (cc) A county may require the energy storage system to  
9 adhere to the principles for responsible outdoor lighting  
10 provided by the International Dark-Sky Association and shall  
11 limit outdoor lighting to that which is minimally required for  
12 safety and operational purposes. Any outdoor lighting shall be  
13 reasonably shielded and downcast from all residences and  
14 adjacent properties.

15 (dd) This Section does not exempt compliance with fire and  
16 safety standards and guidance established for the installation  
17 of lithium-ion battery energy storage systems set by the NFPA.

18 (ee) Prior to commencement of commercial operation, the  
19 facility owner shall offer to provide training for local fire  
20 departments and emergency responders in accordance with the  
21 facility emergency operations plan. A copy of the emergency  
22 operations plan shall be given to the facility owner, the  
23 local fire department, and emergency responders. All batteries  
24 integrated within an energy storage system shall be listed  
25 under the UL 1973 Standard. All batteries integrated within an  
26 energy storage system shall be listed in accordance with UL

1 9540 Standard, either from the manufacturer or by a field  
2 evaluation.

3 (ff) If a facility owner enters into a road use agreement  
4 with the Department of Transportation, a road district, or  
5 other unit of local government relating to an energy storage  
6 system, then the road use agreement shall require the facility  
7 owner to be responsible for (i) the reasonable cost of  
8 improving, if necessary, roads used by the facility owner to  
9 construct the energy storage system and (ii) the reasonable  
10 cost of repairing roads used by the facility owner during  
11 construction of the energy storage system so that those roads  
12 are in a condition that is safe for the driving public after  
13 the completion of the facility's construction. A roadway  
14 improved in preparation for and during the construction of the  
15 energy storage system shall be repaired and restored to the  
16 improved condition at the reasonable cost of the developer if  
17 the roadways have degraded or were damaged as a result of  
18 construction-related activities.

19 The road use agreement shall not require the facility  
20 owner to pay costs, fees, or charges for road work that is not  
21 specifically and uniquely attributable to the construction of  
22 the energy storage system. No road district or other unit of  
23 local government may request or require a fine, permit fee, or  
24 other payment obligation as a requirement for a road use  
25 agreement with a facility owner unless the amount of the fine,  
26 permit fee, or other payment obligation is equivalent to the

1 amount of actual expenses incurred by the road district or  
2 other unit of local government for negotiating, executing,  
3 constructing, or implementing the road use agreement. The road  
4 use agreement shall not require the facility owner to perform  
5 or pay for any road work that is unrelated to the road  
6 improvements required for the construction of the commercial  
7 wind energy facility or the commercial solar energy facility  
8 or the restoration of the roads used by the facility owner  
9 during construction-related activities.

10 (gg) The provisions of this amendatory Act of the 104th  
11 General Assembly do not apply to an application for siting  
12 approval or special use permit for an energy storage system if  
13 the application was submitted to a county before the effective  
14 date of this amendatory Act of the 104th General Assembly.

15 (55 ILCS 5/Art. 5 Div. 5-46 heading new)

16 Division 5-46. Solar Bill of Rights

17 (55 ILCS 5/5-46005 new)

18 Sec. 5-46005. Definitions. As used in this Division:

19 "Low-voltage solar-powered device" means a piece of  
20 equipment designed for a particular purpose, including, but  
21 not limited to, doorbells, security systems, and illumination  
22 equipment, powered by a solar collector operating at less than  
23 50 volts, and located:

24 (1) entirely within the lot or parcel owned by the

1 property owner; or

2 (2) within a common area without being permanently  
3 attached to common property.

4 "Solar collector" means:

5 (1) an assembly, structure, or design, including  
6 passive elements, used for gathering, concentrating, or  
7 absorbing direct and indirect solar energy and specially  
8 designed for holding a substantial amount of useful  
9 thermal energy and to transfer that energy to a gas,  
10 solid, or liquid or to use that energy directly;

11 (2) a mechanism that absorbs solar energy and converts  
12 it into electricity;

13 (3) a mechanism or process used for gathering solar  
14 energy through wind or thermal gradients; or

15 (4) a component used to transfer thermal energy to a  
16 gas, solid, or liquid, or to convert it into electricity.

17 "Solar energy" means radiant energy received from the sun  
18 at wavelengths suitable for heat transfer, photosynthetic use,  
19 or photovoltaic use.

20 "Solar energy system" means:

21 (1) a complete assembly, structure, or design of a  
22 solar collector or a solar storage mechanism that uses  
23 solar energy for generating electricity or for heating or  
24 cooling gases, solids, liquids, or other materials; and

25 (2) the design, materials, or elements of a system and  
26 its maintenance, operation, and labor components, and the

1       necessary components, if any, of supplemental conventional  
2       energy systems designed or constructed to interface with a  
3       solar energy system.

4       "Solar storage mechanism" means equipment or elements,  
5       such as piping and transfer mechanisms, containers, heat  
6       exchangers, batteries, or controls thereof and gases, solids,  
7       liquids, or combinations thereof, that are utilized for  
8       storing solar energy, gathered by a solar collector, for  
9       subsequent use.

10           (55 ILCS 5/5-46010 new)

11       Sec. 5-46010. Prohibitions. Notwithstanding any provision  
12       of this Code or other provision of law, the adoption of any  
13       ordinance or resolution or the exercise of any power by a  
14       county that prohibits or has the effect of prohibiting the  
15       installation of a solar energy system or low-voltage  
16       solar-powered devices is expressly prohibited.

17           (55 ILCS 5/5-46020 new)

18       Sec. 5-46020. Costs; attorney's fees. In any litigation  
19       arising under this Division or involving the application of  
20       this Division, the prevailing party shall be entitled to costs  
21       and reasonable attorney's fees.

22           (55 ILCS 5/5-46025 new)

23       Sec. 5-46025. Applicability.

1       (a) As used in this Section, "shared roof" means any roof  
2 that (i) serves more than one unit, including, but not limited  
3 to, a contiguous roof serving adjacent units, or (ii) is part  
4 of the common elements or common area of a unit.

5       (b) This Division shall not apply to any building that:

6           (1) is greater than 60 feet in height; or (2) has a  
7 shared roof and is subject to a homeowners' association,  
8 common interest community association, or condominium unit  
9 owners' association. (b) Notwithstanding subsection (a) of  
10 this Section, this Division shall apply to any building  
11 with a shared roof: (1) where the solar energy system is  
12 located entirely within that portion of the shared roof  
13 owned and maintained by the property owner;

14           (2) where all property owners sharing the shared roof  
15 are in agreement to install a solar energy system; or

16           (3) to the extent this Division applies to low-voltage  
17 solar-powered devices.

18       (c) Notwithstanding subsection (b) of this Section, this  
19 Division shall apply to any building with a shared roof:

20           (1) where the solar energy system is located entirely  
21 within that portion of the shared roof owned and  
22 maintained by the property owner;

23           (2) where all property owners sharing the shared roof  
24 are in agreement to install a solar energy system; or

25           (3) to the extent this Division applies to low-voltage  
26 solar-powered devices.

1 Section 90-30. The Illinois Municipal Code is amended by  
2 adding Division 15.5 as follows:

3 (65 ILCS 5/Art. 11 Div. 15.5 heading new)

4 Division 15.5. Solar Bill of Rights

5 (65 ILCS 5/11-15.5-5 new)

6 Sec. 11-15.5-5. Definitions. As used in this Division:

7 "Low-voltage solar-powered device" means a piece of  
8 equipment designed for a particular purpose, including, but  
9 not limited to, doorbells, security systems, and illumination  
10 equipment, powered by a solar collector operating at less than  
11 50 volts, and located:

12 (1) entirely within the lot or parcel owned by the  
13 property owner; or

14 (2) within a common area without being permanently  
15 attached to common property.

16 "Solar collector" means:

17 (1) an assembly, structure, or design, including  
18 passive elements, used for gathering, concentrating, or  
19 absorbing direct and indirect solar energy and specially  
20 designed for holding a substantial amount of useful  
21 thermal energy and to transfer that energy to a gas,  
22 solid, or liquid or to use that energy directly;

23 (2) a mechanism that absorbs solar energy and converts

1       it into electricity;

2           (3) a mechanism or process used for gathering solar  
3       energy through wind or thermal gradients; or

4           (4) a component used to transfer thermal energy to a  
5       gas, solid, or liquid, or to convert it into electricity.

6       "Solar energy" means radiant energy received from the sun  
7       at wavelengths suitable for heat transfer, photosynthetic use,  
8       or photovoltaic use.

9       "Solar energy system" means:

10           (1) a complete assembly, structure, or design of a  
11       solar collector or a solar storage mechanism that uses  
12       solar energy for generating electricity or for heating or  
13       cooling gases, solids, liquids, or other materials; and

14           (2) the design, materials, or elements of a system and  
15       its maintenance, operation, and labor components, and the  
16       necessary components, if any, of supplemental conventional  
17       energy systems designed or constructed to interface with a  
18       solar energy system.

19       "Solar storage mechanism" means equipment or elements,  
20       such as piping and transfer mechanisms, containers, heat  
21       exchangers, batteries, or controls thereof and gases, solids,  
22       liquids, or combinations thereof, that are utilized for  
23       storing solar energy, gathered by a solar collector, for  
24       subsequent use.



1       Sec. 11-15.5-10. Prohibitions. Notwithstanding any  
2 provision of this Code or other provision of law, the adoption  
3 of any ordinance or resolution or the exercise of any power, by  
4 municipality that prohibits or has the effect of prohibiting  
5 the installation of a solar energy system or low-voltage  
6 solar-powered devices is expressly prohibited. Municipalities  
7 that own local electric distribution systems may adopt and  
8 implement reasonable policies, consistent with Section 17-900  
9 of the Public Utilities Act, regarding the interconnection and  
10 use of solar energy systems.

11       (65 ILCS 5/11-15.5-20 new)

12       Sec. 11-15.5-20. Costs; attorney's fees. In any litigation  
13 arising under this Division or involving the application of  
14 this Division, the prevailing party shall be entitled to costs  
15 and reasonable attorney's fees.

16       (65 ILCS 5/11-15.5-25 new)

17       Sec. 11-15.5-25. Applicability.

18       (a) As used in this Section, "shared roof" means any roof  
19 that (i) serves more than one unit, including, but not limited  
20 to, a contiguous roof serving adjacent units, or (ii) is part  
21 of the common elements or common area of a unit.

22       (b) This Division shall not apply to any building that:

23           (1) is greater than 60 feet in height; or

24           (2) has a shared roof and is subject to a homeowners'

1 association, common interest community association, or  
2 condominium unit owners' association.

3 (c) Notwithstanding subsection (b) of this Section, this  
4 Division shall apply to any building with a shared roof:

5 (1) where the solar energy system is located entirely  
6 within that portion of the shared roof owned and  
7 maintained by the property owner;

8 (2) where all property owners sharing the shared roof  
9 are in agreement to install a solar energy system; or

10 (3) to the extent this Division applies to low-voltage  
11 solar-powered devices.

12 Section 90-35. The Public Utilities Act is amended by  
13 changing Sections 7-102, 8-103B, 8-406, 8-512, 9-229,  
14 16-107.5, 16-107.6, 16-108, 16-108.19, 16-108.30, 16-111.5,  
15 16-111.7, 16-115A, 16-119A, and 17-900 and by adding Sections  
16 8-101.1, 8-513, 16-107.8, 16-107.9, 16-126.2, 16-145, 16-201,  
17 16-202, 20-140, and 20-145 as follows:

18 (220 ILCS 5/7-102) (from Ch. 111 2/3, par. 7-102)

19 Sec. 7-102. Transactions requiring Commission approval.

20 (A) Unless the consent and approval of the Commission is  
21 first obtained or unless such approval is waived by the  
22 Commission or is exempted in accordance with the provisions of  
23 this Section or of any other Section of this Act:

24 (a) No 2 or more public utilities may enter into

1 contracts with each other that will enable such public  
2 utilities to operate their lines or plants in connection  
3 with each other.

4 (b) No public utility may purchase, lease, or in any  
5 other manner acquire control, direct or indirect, over the  
6 franchises, licenses, permits, plants, equipment, business  
7 or other property of any other public utility.

8 (c) No public utility may assign, transfer, lease,  
9 mortgage, sell (by option or otherwise), or otherwise  
10 dispose of or encumber the whole or any part of its  
11 franchises, licenses, permits, plant, equipment, business,  
12 or other property, but the consent and approval of the  
13 Commission shall not be required for the sale, lease,  
14 assignment or transfer (1) by any public utility of any  
15 tangible personal property which is not necessary or  
16 useful in the performance of its duties to the public, ~~or~~  
17 (2) by any electric utility, as defined by Section 16-105,  
18 of functional control to a regional transmission operator,  
19 as defined in Section 16-126, of facilities operating at  
20 69,000 volts and that would otherwise qualify for such  
21 transfer under the applicable rules of the regional  
22 transmission operator taking functional control, or (3) by  
23 any railroad of any real or tangible personal property.

24 (d) No public utility may by any means, direct or  
25 indirect, merge or consolidate its franchises, licenses,  
26 permits, plants, equipment, business or other property

1 with that of any other public utility.

2 (e) No public utility may purchase, acquire, take or  
3 receive any stock, stock certificates, bonds, notes or  
4 other evidences of indebtedness of any other public  
5 utility.

6 (f) No public utility may in any manner, directly or  
7 indirectly, guarantee the performance of any contract or  
8 other obligation of any other person, firm or corporation  
9 whatsoever.

10 (g) No public utility may use, appropriate, or divert  
11 any of its moneys, property or other resources in or to any  
12 business or enterprise which is not, prior to such use,  
13 appropriation or diversion essentially and directly  
14 connected with or a proper and necessary department or  
15 division of the business of such public utility; provided  
16 that this subsection shall not be construed as modifying  
17 subsections (a) through (e) of this Section.

18 (h) No public utility may, directly or indirectly,  
19 invest, loan or advance, or permit to be invested, loaned  
20 or advanced any of its moneys, property or other resources  
21 in, for, in behalf of or to any other person, firm, trust,  
22 group, association, company or corporation whatsoever,  
23 except that no consent or approval by the Commission is  
24 necessary for the purchase of stock in development credit  
25 corporations organized under the Illinois Development  
26 Credit Corporation Act, providing that no such purchase

1           may be made hereunder if, as a result of such purchase, the  
2           cumulative purchase price of all such shares owned by the  
3           utility would exceed one-fiftieth of one per cent of the  
4           utility's gross operating revenue for the preceding  
5           calendar year.

6           (B) Any public utility may present to the Commission for  
7           approval options or contracts to sell or lease real property,  
8           notwithstanding that the value of the property under option  
9           may have changed between the date of the option and the  
10          subsequent date of sale or lease. If the options or contracts  
11          are approved by the Commission, subsequent sales or leases in  
12          conformance with those options or contracts may be made by the  
13          public utility without any further action by the Commission.  
14          If approval of the options or contracts is denied by the  
15          Commission, the options or contracts are void and any  
16          consideration theretofore paid to the public utility must be  
17          refunded within 30 days following disapproval of the  
18          application.

19          (C) The proceedings for obtaining the approval of the  
20          Commission provided for in this Section shall be as follows:  
21          There shall be filed with the Commission a petition, joint or  
22          otherwise, as the case may be, signed and verified by the  
23          president, any vice president, secretary, treasurer,  
24          comptroller, general manager, or chief engineer of the  
25          respective companies, or by the person or company, as the case  
26          may be, clearly setting forth the object and purposes desired,

1 and setting forth the full and complete terms of the proposed  
2 assignment, transfer, lease, mortgage, purchase, sale, merger,  
3 consolidation, contract or other transaction, as the case may  
4 be. Upon the filing of such petition, the Commission shall, if  
5 it deems necessary, fix a time and place for the hearing  
6 thereon. After such hearing, or in case no hearing is  
7 required, if the Commission is satisfied that such petition  
8 should reasonably be granted, and that the public will be  
9 inconvenienced thereby, the Commission shall make such order in  
10 the premises as it may deem proper and as the circumstances may  
11 require, attaching such conditions as it may deem proper, and  
12 thereupon it shall be lawful to do the things provided for in  
13 such order. The Commission shall impose such conditions as  
14 will protect the interest of minority and preferred  
15 stockholders.

16 (D) The Commission shall have power by general rules  
17 applicable alike to all public utilities, other than electric  
18 and gas public utilities, affected thereby to waive the filing  
19 and necessity for approval of the following: (a) sales of  
20 property involving a consideration of not more than \$300,000  
21 for utilities with gross revenues in excess of \$50,000,000  
22 annually and a consideration of not more than \$100,000 for all  
23 other utilities; (b) leases, easements and licenses involving  
24 a consideration or rental of not more than \$30,000 per year for  
25 utilities with gross revenues in excess of \$50,000,000  
26 annually and a consideration or rental of not more than

1 \$10,000 per year for all other utilities; (c) leases of office  
2 building space not required by the public utility in rendering  
3 service to the public; (d) the temporary leasing, lending or  
4 interchanging of equipment in the ordinary course of business  
5 or in case of an emergency; and (e) purchase-money mortgages  
6 given by a public utility in connection with the purchase of  
7 tangible personal property where the total obligation to be  
8 secured shall be payable within a period not exceeding one  
9 year. However, if the Commission, after a hearing, finds that  
10 any public utility to which such rule is applicable is abusing  
11 or has abused such general rule and thereby is evading  
12 compliance with the standard established herein, the  
13 Commission shall have power to require such public utility to  
14 thereafter file and receive the Commission's approval upon all  
15 such transactions as described in this Section, but such  
16 general rule shall remain in full force and effect as to all  
17 other public utilities to which such rule is applicable.

18 (E) The filing of, and the consent and approval of the  
19 Commission for, any assignment, transfer, lease, mortgage,  
20 purchase, sale, merger, consolidation, contract or other  
21 transaction by an electric or gas public utility with gross  
22 revenues in all jurisdictions of \$250,000,000 or more annually  
23 involving a sale price or annual consideration in an amount of  
24 \$5,000,000 or less shall not be required. The Commission shall  
25 also have the authority, on petition by an electric or gas  
26 public utility with gross revenues in all jurisdictions of

1 \$250,000,000 or more annually, to establish by order higher  
2 thresholds than the foregoing for the requirement of approval  
3 of transactions by the Commission pursuant to this Section for  
4 the electric or gas public utility, but no greater than 1% of  
5 the electric or gas public utility's average total gross  
6 utility plant in service in the case of sale, assignment or  
7 acquisition of property, or 2.5% of the electric or gas public  
8 utility's total revenue in the case of other sales price or  
9 annual consideration, in each case based on the preceding  
10 calendar year, and subject to the power of the Commission,  
11 after notice and hearing, to further revise those thresholds  
12 at a later date. In addition to the foregoing, the Commission  
13 shall have power by general rules applicable alike to all  
14 electric and gas public utilities affected thereby to waive  
15 the filing and necessity for approval of the following: (a)  
16 sales of property involving a consideration of \$100,000 or  
17 less for electric and gas utilities with gross revenues in all  
18 jurisdictions of less than \$250,000,000 annually; (b) leases,  
19 easements and licenses involving a consideration or rental of  
20 not more than \$10,000 per year for electric and gas utilities  
21 with gross revenues in all jurisdictions of less than  
22 \$250,000,000 annually; (c) leases of office building space not  
23 required by the electric or gas public utility in rendering  
24 service to the public; (d) the temporary leasing, lending or  
25 interchanging of equipment in the ordinary course of business  
26 or in the case of an emergency; and (e) purchase-money



1 mortgages given by an electric or gas public utility in  
2 connection with the purchase of tangible personal property  
3 where the total obligation to be secured shall be payable  
4 within a period of one year or less. However, if the  
5 Commission, after a hearing, finds that any electric or gas  
6 public utility is abusing or has abused such general rule and  
7 thereby is evading compliance with the standard established  
8 herein, the Commission shall have power to require such  
9 electric or gas public utility to thereafter file and receive  
10 the Commission's approval upon all such transactions as  
11 described in this Section and not exempted pursuant to the  
12 first sentence of this paragraph or to subsection (g) of  
13 Section 16-111 of this Act, but such general rule shall remain  
14 in full force and effect as to all other electric and gas  
15 public utilities.

16 Every assignment, transfer, lease, mortgage, sale or other  
17 disposition or encumbrance of the whole or any part of the  
18 franchises, licenses, permits, plant, equipment, business or  
19 other property of any public utility, or any merger or  
20 consolidation thereof, and every contract, purchase of stock,  
21 or other transaction referred to in this Section and not  
22 exempted in accordance with the provisions of the immediately  
23 preceding paragraph of this Section, made otherwise than in  
24 accordance with an order of the Commission authorizing the  
25 same, except as provided in this Section, shall be void. The  
26 provisions of this Section shall not apply to any transactions

1 by or with a political subdivision or municipal corporation of  
2 this State.

3 (F) The provisions of this Section do not apply to the  
4 purchase or sale of emission allowances created under and  
5 defined in Title IV of the federal Clean Air Act Amendments of  
6 1990 (P.L. 101-549), as amended.

7 (Source: P.A. 90-561, eff. 12-16-97; 91-357, eff. 7-29-99.)

8 (220 ILCS 5/8-101.1 new)

9 Sec. 8-101.1. Duties of public utilities; labor force.

10 (a) As used in this Section:

11 "Labor force" means the employees hired directly by the  
12 utility and all employees of any and all suppliers and  
13 subcontractors of the utility tasked with the construction,  
14 maintenance and repair of such utility's infrastructure.

15 "Public utility" means a public utility, as defined in  
16 Section 3-105 of this Act, serving more than 100,000 customers  
17 as of January 1, 2025.

18 "Substantial change in labor force" means either (1) a  
19 greater than 5% reduction in the total labor force or (2) more  
20 than a 5% decrease in the ratio of labor force spending  
21 compared to capital spending.

22 (b) A public utility shall ensure that it has the  
23 necessary labor force in order to furnish, provide, and  
24 maintain such service instrumentalities, equipment, and  
25 facilities to promote the safety, health, comfort, and

1 convenience of its patrons, employees, and the public and to  
2 be in all respects adequate, efficient, just, and reasonable.

3 (c) Unless the Commission specifically orders and except  
4 as otherwise provided in this Section, no substantial change  
5 shall be made by any public utility in its labor force unless  
6 the public utility provides notice to the Commission at least  
7 45 days before the implementation of the change. A public  
8 utility shall include a report with its notice that provides  
9 the following:

10 (1) a detailed analysis and explanation of how and why  
11 a change in a specific law, regulation, or market factor  
12 requires the public utility to make the substantial change  
13 in its labor force; and

14 (2) whether the substantial change in the public  
15 utility's labor force, at a minimum:

16 (i) is in the public interest;

17 (ii) will not endanger the quality and  
18 availability of public utility services;

19 (iii) will not have a negative impact on the  
20 safety or reliability of public utility services; and

21 (iv) is designed to minimize the financial  
22 hardship on the members of its labor force impacted by  
23 the substantial change.

24 (220 ILCS 5/8-103B)

25 Sec. 8-103B. Energy efficiency and demand-response

1 measures.

2 (a) It is the policy of the State that electric utilities  
3 are required to use cost-effective energy efficiency and  
4 demand-response measures to reduce delivery load. Requiring  
5 investment in cost-effective energy efficiency and  
6 demand-response measures will reduce direct and indirect costs  
7 to consumers by decreasing environmental impacts and by  
8 avoiding or delaying the need for new generation,  
9 transmission, and distribution infrastructure. It serves the  
10 public interest to allow electric utilities to recover costs  
11 for reasonably and prudently incurred expenditures for energy  
12 efficiency and demand-response measures. As used in this  
13 Section, "cost-effective" means that the measures satisfy the  
14 total resource cost test. The low-income measures described in  
15 subsection (c) of this Section shall not be required to meet  
16 the total resource cost test. For purposes of this Section,  
17 the terms "energy-efficiency", "demand-response", "electric  
18 utility", and "total resource cost test" have the meanings set  
19 forth in the Illinois Power Agency Act. "Black, indigenous,  
20 and people of color" and "BIPOC" means people who are members  
21 of the groups described in subparagraphs (a) through (e) of  
22 paragraph (A) of subsection (1) of Section 2 of the Business  
23 Enterprise for Minorities, Women, and Persons with  
24 Disabilities Act.

25 (a-5) This Section applies to electric utilities serving  
26 more than 500,000 retail customers in the State for those

1 multi-year plans commencing after December 31, 2017.

2 (b) For purposes of this Section, through calendar year  
3 2026, electric utilities subject to this Section that serve  
4 more than 3,000,000 retail customers in the State shall be  
5 deemed to have achieved a cumulative persisting annual savings  
6 of 6.6% from energy efficiency measures and programs  
7 implemented during the period beginning January 1, 2012 and  
8 ending December 31, 2017, which percent is based on the deemed  
9 average weather normalized sales of electric power and energy  
10 during calendar years 2014, 2015, and 2016 of 88,000,000 MWhs.  
11 For the purposes of this subsection (b) and subsection (b-5),  
12 the 88,000,000 MWhs of deemed electric power and energy sales  
13 shall be reduced by the number of MWhs equal to the sum of the  
14 annual consumption of customers that have opted out of  
15 subsections (a) through (j) of this Section under paragraph  
16 (1) of subsection (1) of this Section, as averaged across the  
17 calendar years 2014, 2015, and 2016. After 2017, the deemed  
18 value of cumulative persisting annual savings from energy  
19 efficiency measures and programs implemented during the period  
20 beginning January 1, 2012 and ending December 31, 2017, shall  
21 be reduced each year, as follows, and the applicable value  
22 shall be applied to and count toward the utility's achievement  
23 of the cumulative persisting annual savings goals set forth in  
24 subsection (b-5):

25 (1) 5.8% deemed cumulative persisting annual savings  
26 for the year ending December 31, 2018;

1 (2) 5.2% deemed cumulative persisting annual savings  
2 for the year ending December 31, 2019;

3 (3) 4.5% deemed cumulative persisting annual savings  
4 for the year ending December 31, 2020;

5 (4) 4.0% deemed cumulative persisting annual savings  
6 for the year ending December 31, 2021;

7 (5) 3.5% deemed cumulative persisting annual savings  
8 for the year ending December 31, 2022;

9 (6) 3.1% deemed cumulative persisting annual savings  
10 for the year ending December 31, 2023;

11 (7) 2.8% deemed cumulative persisting annual savings  
12 for the year ending December 31, 2024;

13 (8) 2.5% deemed cumulative persisting annual savings  
14 for the year ending December 31, 2025; and

15 (9) 2.3% deemed cumulative persisting annual savings  
16 for the year ending December 31, 2026. †

17 ~~(10) 2.1% deemed cumulative persisting annual savings~~  
18 ~~for the year ending December 31, 2027;~~

19 ~~(11) 1.8% deemed cumulative persisting annual savings~~  
20 ~~for the year ending December 31, 2028;~~

21 ~~(12) 1.7% deemed cumulative persisting annual savings~~  
22 ~~for the year ending December 31, 2029;~~

23 ~~(13) 1.5% deemed cumulative persisting annual savings~~  
24 ~~for the year ending December 31, 2030;~~

25 ~~(14) 1.3% deemed cumulative persisting annual savings~~  
26 ~~for the year ending December 31, 2031;~~

1           ~~(15) 1.1% deemed cumulative persisting annual savings~~  
2           ~~for the year ending December 31, 2032;~~

3           ~~(16) 0.9% deemed cumulative persisting annual savings~~  
4           ~~for the year ending December 31, 2033;~~

5           ~~(17) 0.7% deemed cumulative persisting annual savings~~  
6           ~~for the year ending December 31, 2034;~~

7           ~~(18) 0.5% deemed cumulative persisting annual savings~~  
8           ~~for the year ending December 31, 2035;~~

9           ~~(19) 0.4% deemed cumulative persisting annual savings~~  
10           ~~for the year ending December 31, 2036;~~

11           ~~(20) 0.3% deemed cumulative persisting annual savings~~  
12           ~~for the year ending December 31, 2037;~~

13           ~~(21) 0.2% deemed cumulative persisting annual savings~~  
14           ~~for the year ending December 31, 2038;~~

15           ~~(22) 0.1% deemed cumulative persisting annual savings~~  
16           ~~for the year ending December 31, 2039; and~~

17           ~~(23) 0.0% deemed cumulative persisting annual savings~~  
18           ~~for the year ending December 31, 2040 and all subsequent~~  
19           ~~years.~~

20           For purposes of this Section, "cumulative persisting  
21           annual savings" means the total electric energy savings in a  
22           given year from measures installed in that year or in previous  
23           years, but no earlier than January 1, 2012, that are still  
24           operational and providing savings in that year because the  
25           measures have not yet reached the end of their useful lives.

26           (b-5) Beginning in 2018 and through calendar year 2026,

1 electric utilities subject to this Section that serve more  
2 than 3,000,000 retail customers in the State shall achieve the  
3 following cumulative persisting annual savings goals, as  
4 modified by subsection (f) of this Section and as compared to  
5 the deemed baseline of 88,000,000 MWhs of electric power and  
6 energy sales set forth in subsection (b), as reduced by the  
7 number of MWhs equal to the sum of the annual consumption of  
8 customers that have opted out of subsections (a) through (j)  
9 of this Section under paragraph (1) of subsection (l) of this  
10 Section as averaged across the calendar years 2014, 2015, and  
11 2016, through the implementation of energy efficiency measures  
12 during the applicable year and in prior years, but no earlier  
13 than January 1, 2012:

14 (1) 7.8% cumulative persisting annual savings for the  
15 year ending December 31, 2018;

16 (2) 9.1% cumulative persisting annual savings for the  
17 year ending December 31, 2019;

18 (3) 10.4% cumulative persisting annual savings for the  
19 year ending December 31, 2020;

20 (4) 11.8% cumulative persisting annual savings for the  
21 year ending December 31, 2021;

22 (5) 13.1% cumulative persisting annual savings for the  
23 year ending December 31, 2022;

24 (6) 14.4% cumulative persisting annual savings for the  
25 year ending December 31, 2023;

26 (7) 15.7% cumulative persisting annual savings for the



1 year ending December 31, 2024;

2 (8) 17% cumulative persisting annual savings for the  
3 year ending December 31, 2025; and

4 (9) 17.9% cumulative persisting annual savings for the  
5 year ending December 31, 2026. +

6 ~~(10) 18.8% cumulative persisting annual savings for~~  
7 ~~the year ending December 31, 2027;~~

8 ~~(11) 19.7% cumulative persisting annual savings for~~  
9 ~~the year ending December 31, 2028;~~

10 ~~(12) 20.6% cumulative persisting annual savings for~~  
11 ~~the year ending December 31, 2029; and~~

12 ~~(13) 21.5% cumulative persisting annual savings for~~  
13 ~~the year ending December 31, 2030.~~

14 ~~No later than December 31, 2021, the Illinois Commerce~~  
15 ~~Commission shall establish additional cumulative persisting~~  
16 ~~annual savings goals for the years 2031 through 2035. No later~~  
17 ~~than December 31, 2024, the Illinois Commerce Commission shall~~  
18 ~~establish additional cumulative persisting annual savings~~  
19 ~~goals for the years 2036 through 2040. The Commission shall~~  
20 ~~also establish additional cumulative persisting annual savings~~  
21 ~~goals every 5 years thereafter to ensure that utilities always~~  
22 ~~have goals that extend at least 11 years into the future. The~~  
23 ~~cumulative persisting annual savings goals beyond the year~~  
24 ~~2030 shall increase by 0.9 percentage points per year, absent~~  
25 ~~a Commission decision to initiate a proceeding to consider~~  
26 ~~establishing goals that increase by more or less than that~~

1 ~~amount. Such a proceeding must be conducted in accordance with~~  
2 ~~the procedures described in subsection (f) of this Section. If~~  
3 ~~such a proceeding is initiated, the cumulative persisting~~  
4 ~~annual savings goals established by the Commission through~~  
5 ~~that proceeding shall reflect the Commission's best estimate~~  
6 ~~of the maximum amount of additional savings that are forecast~~  
7 ~~to be cost effectively achievable unless such best estimates~~  
8 ~~would result in goals that represent less than 0.5 percentage~~  
9 ~~point annual increases in total cumulative persisting annual~~  
10 ~~savings. The Commission may only establish goals that~~  
11 ~~represent less than 0.5 percentage point annual increases in~~  
12 ~~cumulative persisting annual savings if it can demonstrate,~~  
13 ~~based on clear and convincing evidence and through independent~~  
14 ~~analysis, that 0.5 percentage point increases are not~~  
15 ~~cost effectively achievable. The Commission shall inform its~~  
16 ~~decision based on an energy efficiency potential study that~~  
17 ~~conforms to the requirements of this Section.~~

18 (b-10) For purposes of this Section, through calendar year  
19 2026, electric utilities subject to this Section that serve  
20 less than 3,000,000 retail customers but more than 500,000  
21 retail customers in the State shall be deemed to have achieved  
22 a cumulative persisting annual savings of 6.6% from energy  
23 efficiency measures and programs implemented during the period  
24 beginning January 1, 2012 and ending December 31, 2017, which  
25 is based on the deemed average weather normalized sales of  
26 electric power and energy during calendar years 2014, 2015,

1 and 2016 of 36,900,000 MWhs. For the purposes of this  
2 subsection (b-10) and subsection (b-15), the 36,900,000 MWhs  
3 of deemed electric power and energy sales shall be reduced by  
4 the number of MWhs equal to the sum of the annual consumption  
5 of customers that have opted out of subsections (a) through  
6 (j) of this Section under paragraph (1) of subsection (1) of  
7 this Section, as averaged across the calendar years 2014,  
8 2015, and 2016. After 2017, the deemed value of cumulative  
9 persisting annual savings from energy efficiency measures and  
10 programs implemented during the period beginning January 1,  
11 2012 and ending December 31, 2017, shall be reduced each year,  
12 as follows, and the applicable value shall be applied to and  
13 count toward the utility's achievement of the cumulative  
14 persisting annual savings goals set forth in subsection  
15 (b-15):

16 (1) 5.8% deemed cumulative persisting annual savings  
17 for the year ending December 31, 2018;

18 (2) 5.2% deemed cumulative persisting annual savings  
19 for the year ending December 31, 2019;

20 (3) 4.5% deemed cumulative persisting annual savings  
21 for the year ending December 31, 2020;

22 (4) 4.0% deemed cumulative persisting annual savings  
23 for the year ending December 31, 2021;

24 (5) 3.5% deemed cumulative persisting annual savings  
25 for the year ending December 31, 2022;

26 (6) 3.1% deemed cumulative persisting annual savings

1 for the year ending December 31, 2023;

2 (7) 2.8% deemed cumulative persisting annual savings  
3 for the year ending December 31, 2024;

4 (8) 2.5% deemed cumulative persisting annual savings  
5 for the year ending December 31, 2025; and

6 (9) 2.3% deemed cumulative persisting annual savings  
7 for the year ending December 31, 2026. ~~†~~

8 ~~(10) 2.1% deemed cumulative persisting annual savings~~  
9 ~~for the year ending December 31, 2027;~~

10 ~~(11) 1.8% deemed cumulative persisting annual savings~~  
11 ~~for the year ending December 31, 2028;~~

12 ~~(12) 1.7% deemed cumulative persisting annual savings~~  
13 ~~for the year ending December 31, 2029;~~

14 ~~(13) 1.5% deemed cumulative persisting annual savings~~  
15 ~~for the year ending December 31, 2030;~~

16 ~~(14) 1.3% deemed cumulative persisting annual savings~~  
17 ~~for the year ending December 31, 2031;~~

18 ~~(15) 1.1% deemed cumulative persisting annual savings~~  
19 ~~for the year ending December 31, 2032;~~

20 ~~(16) 0.9% deemed cumulative persisting annual savings~~  
21 ~~for the year ending December 31, 2033;~~

22 ~~(17) 0.7% deemed cumulative persisting annual savings~~  
23 ~~for the year ending December 31, 2034;~~

24 ~~(18) 0.5% deemed cumulative persisting annual savings~~  
25 ~~for the year ending December 31, 2035;~~

26 ~~(19) 0.4% deemed cumulative persisting annual savings~~

1 ~~for the year ending December 31, 2036;~~

2 ~~(20) 0.3% deemed cumulative persisting annual savings~~  
3 ~~for the year ending December 31, 2037;~~

4 ~~(21) 0.2% deemed cumulative persisting annual savings~~  
5 ~~for the year ending December 31, 2038;~~

6 ~~(22) 0.1% deemed cumulative persisting annual savings~~  
7 ~~for the year ending December 31, 2039; and~~

8 ~~(23) 0.0% deemed cumulative persisting annual savings~~  
9 ~~for the year ending December 31, 2040 and all subsequent~~  
10 ~~years.~~

11 (b-15) Beginning in 2018 and through calendar year 2026,  
12 electric utilities subject to this Section that serve less  
13 than 3,000,000 retail customers but more than 500,000 retail  
14 customers in the State shall achieve the following cumulative  
15 persisting annual savings goals, as modified by subsection  
16 (b-20) and subsection (f) of this Section and as compared to  
17 the deemed baseline as reduced by the number of MWhs equal to  
18 the sum of the annual consumption of customers that have opted  
19 out of subsections (a) through (j) of this Section under  
20 paragraph (1) of subsection (1) of this Section as averaged  
21 across the calendar years 2014, 2015, and 2016, through the  
22 implementation of energy efficiency measures during the  
23 applicable year and in prior years, but no earlier than  
24 January 1, 2012:

25 (1) 7.4% cumulative persisting annual savings for the  
26 year ending December 31, 2018;

1 (2) 8.2% cumulative persisting annual savings for the  
2 year ending December 31, 2019;

3 (3) 9.0% cumulative persisting annual savings for the  
4 year ending December 31, 2020;

5 (4) 9.8% cumulative persisting annual savings for the  
6 year ending December 31, 2021;

7 (5) 10.6% cumulative persisting annual savings for the  
8 year ending December 31, 2022;

9 (6) 11.4% cumulative persisting annual savings for the  
10 year ending December 31, 2023;

11 (7) 12.2% cumulative persisting annual savings for the  
12 year ending December 31, 2024;

13 (8) 13% cumulative persisting annual savings for the  
14 year ending December 31, 2025; and

15 (9) 13.6% cumulative persisting annual savings for the  
16 year ending December 31, 2026. †

17 ~~(10) 14.2% cumulative persisting annual savings for~~  
18 ~~the year ending December 31, 2027;~~

19 ~~(11) 14.8% cumulative persisting annual savings for~~  
20 ~~the year ending December 31, 2028;~~

21 ~~(12) 15.4% cumulative persisting annual savings for~~  
22 ~~the year ending December 31, 2029; and~~

23 ~~(13) 16% cumulative persisting annual savings for the~~  
24 ~~year ending December 31, 2030.~~

25 ~~No later than December 31, 2021, the Illinois Commerce~~  
26 ~~Commission shall establish additional cumulative persisting~~

1 ~~annual savings goals for the years 2031 through 2035. No later~~  
2 ~~than December 31, 2024, the Illinois Commerce Commission shall~~  
3 ~~establish additional cumulative persisting annual savings~~  
4 ~~goals for the years 2036 through 2040. The Commission shall~~  
5 ~~also establish additional cumulative persisting annual savings~~  
6 ~~goals every 5 years thereafter to ensure that utilities always~~  
7 ~~have goals that extend at least 11 years into the future. The~~  
8 ~~cumulative persisting annual savings goals beyond the year~~  
9 ~~2030 shall increase by 0.6 percentage points per year, absent~~  
10 ~~a Commission decision to initiate a proceeding to consider~~  
11 ~~establishing goals that increase by more or less than that~~  
12 ~~amount. Such a proceeding must be conducted in accordance with~~  
13 ~~the procedures described in subsection (f) of this Section. If~~  
14 ~~such a proceeding is initiated, the cumulative persisting~~  
15 ~~annual savings goals established by the Commission through~~  
16 ~~that proceeding shall reflect the Commission's best estimate~~  
17 ~~of the maximum amount of additional savings that are forecast~~  
18 ~~to be cost effectively achievable unless such best estimates~~  
19 ~~would result in goals that represent less than 0.4 percentage~~  
20 ~~point annual increases in total cumulative persisting annual~~  
21 ~~savings. The Commission may only establish goals that~~  
22 ~~represent less than 0.4 percentage point annual increases in~~  
23 ~~cumulative persisting annual savings if it can demonstrate,~~  
24 ~~based on clear and convincing evidence and through independent~~  
25 ~~analysis, that 0.4 percentage point increases are not~~  
26 ~~cost effectively achievable. The Commission shall inform its~~

1 ~~decision based on an energy efficiency potential study that~~  
2 ~~conforms to the requirements of this Section.~~

3 (b-16) In 2027 and each year thereafter, each electric  
4 utility subject to this Section shall achieve the following  
5 savings goals:

6 (1) A utility that serves more than 3,000,000 retail  
7 customers in the State must achieve incremental annual  
8 energy savings for customers in an amount that is equal to  
9 2% of the utility's average annual electricity sales from  
10 2021 through 2023 to customers. A utility that serves less  
11 than 3,000,000 retail customers but more than 500,000  
12 retail customers in the State must achieve incremental  
13 annual energy savings for customers in an amount that is  
14 equal to 1.4% in 2027, 1.7% in 2028, and 2% in 2029 and  
15 every year thereafter of the utility's average annual  
16 electricity sales from 2021 through 2023 to customers. The  
17 incremental annual energy savings requirements set forth  
18 in this paragraph (1) may be reduced by 0.025 percentage  
19 points for every percentage point increase, above the 25%  
20 minimum to be targeted at low-income households as  
21 specified in paragraph (c) of this Section, in the portion  
22 of total efficiency program spending that is on low-income  
23 or moderate-income efficiency programs. The incremental  
24 annual savings requirement shall not be reduced to a level  
25 less than 25% less than the energy savings requirement  
26 applicable to the calendar year, even if the sum of



1 low-income spending and moderate-income spending is  
2 greater than 35% of total spending.

3 (2) A utility that serves less than 3,000,000 retail  
4 customers but more than 500,000 retail customers in the  
5 State must achieve an incremental annual coincident peak  
6 demand savings goal from energy efficiency measures  
7 installed as a result of the utility's programs by  
8 customers in an amount that is equal to the energy savings  
9 goal from paragraph (1) of this Section divided by the  
10 actual average ratio of kilowatt-hour savings to  
11 coincident peak demand reduction achieved by the utility  
12 through its energy efficiency programs in 2023. If the  
13 season in which coincident peak demands are experienced,  
14 the hours of the day that peak demands are experienced,  
15 and the methods by which peak demand impacts from  
16 efficiency measures are estimated are different in the  
17 future than when 2023 peak demand impacts were originally  
18 estimated, the 2023 peak demand impacts shall be  
19 recomputed using such updated peak definitions and  
20 estimation methods for the purpose of establishing future  
21 coincident peak demand savings goals. To the extent that a  
22 utility counts either improvements to the efficiency of  
23 the use of gas and other fuels or the electrification of  
24 gas and other fuels toward its energy savings goal, as  
25 permitted under paragraphs (b-25) and (b-27) of this  
26 Section, it must estimate the actual impacts on coincident

1 peak demand from such measures and count them, whether  
2 positive or negative, toward its coincident peak demand  
3 savings goal. Only coincident peak demand savings from  
4 efficiency measures shall count toward this goal. To the  
5 extent that some efficiency measures enable demand  
6 response, only the peak demand savings from the energy  
7 efficiency upgrade shall count toward the goal. Nothing in  
8 this Section shall limit the ability of peak demand  
9 savings from such enabled demand-response initiatives to  
10 count for other, non-energy efficiency performance  
11 standard performance metrics established for the utility.

12 (3) Each utility's incremental annual energy savings,  
13 and coincident peak demand savings if a utility serves  
14 less than 3,000,000 retail customers but more than 500,000  
15 retail customers in the State, must be achieved with an  
16 average savings life of at least 12 years. In no event can  
17 more than one-fifth of the incremental annual savings or  
18 the coincident peak demand savings counted toward a  
19 utility's annual savings goal in any given year be derived  
20 from efficiency measures with average savings lives of  
21 less than 5 years. Average savings lives may be shorter  
22 than the average operational lives of measures installed  
23 if the measures do not produce savings in every year in  
24 which the measures operate or if the savings that measures  
25 produce decline during the measures' operational lives.

26 For the purposes of this Section, "incremental annual

1 energy savings" means the total electric energy savings  
2 from all measures installed in a calendar year that will  
3 be realized within 12 months of each measure's  
4 installation; "moderate-income" means income between 80%  
5 of area median income and 300% of the federal poverty  
6 limit; "incremental annual coincident peak demand savings"  
7 means the total coincident peak reduction from all energy  
8 efficiency measures installed in a calendar year that will  
9 be realized within 12 months of each measure's  
10 installation; "average savings life" means the lifetime  
11 savings that would be realized as a result of a utility's  
12 efficiency programs divided by the incremental annual  
13 savings such programs produce.

14 (b-20) Each electric utility subject to this Section may  
15 include cost-effective voltage optimization measures in its  
16 plans submitted under subsections (f) and (g) of this Section,  
17 and the costs incurred by a utility to implement the measures  
18 under a Commission-approved plan shall be recovered under the  
19 provisions of Article IX or Section 16-108.5 of this Act. For  
20 purposes of this Section, the measure life of voltage  
21 optimization measures shall be 15 years. The measure life  
22 period is independent of the depreciation rate of the voltage  
23 optimization assets deployed. Utilities may claim savings from  
24 voltage optimization on circuits for more than 15 years if  
25 they can demonstrate that they have made additional  
26 investments necessary to enable voltage optimization savings

1 to continue beyond 15 years. Such demonstrations must be  
2 subject to the review of independent evaluation.

3 Within 270 days after June 1, 2017 (the effective date of  
4 Public Act 99-906), an electric utility that serves less than  
5 3,000,000 retail customers but more than 500,000 retail  
6 customers in the State shall file a plan with the Commission  
7 that identifies the cost-effective voltage optimization  
8 investment the electric utility plans to undertake through  
9 December 31, 2024. The Commission, after notice and hearing,  
10 shall approve or approve with modification the plan within 120  
11 days after the plan's filing and, in the order approving or  
12 approving with modification the plan, the Commission shall  
13 adjust the applicable cumulative persisting annual savings  
14 goals set forth in subsection (b-15) to reflect any amount of  
15 cost-effective energy savings approved by the Commission that  
16 is greater than or less than the following cumulative  
17 persisting annual savings values attributable to voltage  
18 optimization for the applicable year:

19 (1) 0.0% of cumulative persisting annual savings for  
20 the year ending December 31, 2018;

21 (2) 0.17% of cumulative persisting annual savings for  
22 the year ending December 31, 2019;

23 (3) 0.17% of cumulative persisting annual savings for  
24 the year ending December 31, 2020;

25 (4) 0.33% of cumulative persisting annual savings for  
26 the year ending December 31, 2021;

1 (5) 0.5% of cumulative persisting annual savings for  
2 the year ending December 31, 2022;

3 (6) 0.67% of cumulative persisting annual savings for  
4 the year ending December 31, 2023;

5 (7) 0.83% of cumulative persisting annual savings for  
6 the year ending December 31, 2024; and

7 (8) 1.0% of cumulative persisting annual savings for  
8 the year ending December 31, 2025 and all subsequent  
9 years.

10 (b-25) In the event an electric utility jointly offers an  
11 energy efficiency measure or program with a gas utility under  
12 plans approved under this Section and Section 8-104 of this  
13 Act, the electric utility may continue offering the program,  
14 including the gas energy efficiency measures, in the event the  
15 gas utility discontinues funding the program. In that event,  
16 the energy savings value associated with such other fuels  
17 shall be converted to electric energy savings on an equivalent  
18 Btu basis for the premises. However, the electric utility  
19 shall prioritize programs for low-income residential customers  
20 to the extent practicable. An electric utility may recover the  
21 costs of offering the gas energy efficiency measures under  
22 this subsection (b-25).

23 For those energy efficiency measures or programs that save  
24 both electricity and other fuels but are not jointly offered  
25 with a gas utility under plans approved under this Section and  
26 Section 8-104 or not offered with an affiliated gas utility

1 under paragraph (6) of subsection (f) of Section 8-104 of this  
2 Act, the electric utility may count savings of fuels other  
3 than electricity toward the achievement of its annual savings  
4 goal, and the energy savings value associated with such other  
5 fuels shall be converted to electric energy savings on an  
6 equivalent Btu basis at the premises.

7 For an electric utility that serves more than 3,000,000  
8 retail customers in the State, on and after January 1, 2027,  
9 the electric utility may only count savings of other fuels  
10 under this subsection (b-25) toward the achievement of its  
11 annual electric energy savings goal when such other fuel  
12 savings are from weatherization measures that reduce heat loss  
13 through the building envelope or heating distribution system,  
14 including, but not limited to, air sealing and building shell  
15 measures. This limitation on counting other fuel savings from  
16 efficiency measures toward a utility's energy savings goal  
17 shall not affect the utility's ability to claim savings from  
18 electrification measures installed pursuant to the  
19 requirements in subsection (b-27).

20 In no event shall more than 10% of each year's applicable  
21 annual total savings requirement, as defined in paragraph  
22 (7.5) of subsection (g) of this Section be met through savings  
23 of fuels other than electricity. For an electric utility that  
24 serves more than 3,000,000 retail customers in the State, in  
25 no event shall more than 30% of each year's incremental annual  
26 energy savings requirement, as defined in subsection (b-16) of

1 this Section, be met through savings of fuels other than  
2 electricity. For an electric utility that serves less than  
3 3,000,000 retail customers but more than 500,000 retail  
4 customers in the State, in no event shall more than 20% of each  
5 year's incremental annual energy savings requirement, as  
6 defined in subsection (b-16) of this Section, be met through  
7 savings of fuels other than electricity.

8 (b-27) Beginning in 2022, an electric utility may offer  
9 and promote measures that electrify space heating, water  
10 heating, cooling, drying, cooking, industrial processes, and  
11 other building and industrial end uses that would otherwise be  
12 served by combustion of fossil fuel at the premises, provided  
13 that the electrification measures reduce total energy  
14 consumption at the premises. The electric utility may count  
15 the reduction in energy consumption at the premises toward  
16 achievement of its annual savings goals. The reduction in  
17 energy consumption at the premises shall be calculated as the  
18 difference between: (A) the reduction in Btu consumption of  
19 fossil fuels as a result of electrification, converted to  
20 kilowatt-hour equivalents by dividing by 3,412 Btus per  
21 kilowatt hour; and (B) the increase in kilowatt hours of  
22 electricity consumption resulting from the displacement of  
23 fossil fuel consumption as a result of electrification. An  
24 electric utility may recover the costs of offering and  
25 promoting electrification measures under this subsection  
26 (b-27).

1       At least 33% of all costs of offering and promoting  
2 electrification measures under this subsection (b-27) must be  
3 for supporting installation of electrification measures  
4 through programs exclusively targeted to low-income  
5 households. The percentage requirement may be reduced if the  
6 utility can demonstrate that it is not possible to achieve the  
7 level of low-income electrification spending, while supporting  
8 programs for non-low-income residential and business  
9 electrification, because of limitations regarding the number  
10 of low-income households in its service territory that would  
11 be able to meet program eligibility requirements set forth in  
12 the multi-year energy efficiency plan. If the 33% low-income  
13 electrification spending requirement is reduced, the utility  
14 must prioritize support of low-income electrification in  
15 housing that meets program eligibility requirements over  
16 electrification spending on non-low-income residential or  
17 business customers.

18       The ratio of spending on electrification measures targeted  
19 to low-income, multifamily buildings to spending on  
20 electrification measures targeted to low-income, single-family  
21 buildings shall be designed to achieve levels of  
22 electrification savings from each building type that are  
23 approximately proportional to the magnitude of cost-effective  
24 electrification savings potential in each building type.

25       In no event shall electrification savings counted toward  
26 each year's applicable annual total savings requirement, as



1 defined in paragraph (7.5) of subsection (g) of this Section,  
2 or counted toward each year's incremental annual savings, as  
3 defined in paragraph (b-16) of this Section, be greater than:

4 (1) 5% per year for each year from 2022 through 2025;

5 (2) 20% ~~10%~~ per year for ~~each year from 2026 and all~~  
6 subsequent years ~~through 2029~~; and

7 (3) (blank). ~~15% per year for 2030 and all subsequent~~  
8 ~~years.~~

9 ~~In addition, a minimum of 25% of all electrification savings~~  
10 ~~counted toward a utility's applicable annual total savings~~  
11 ~~requirement must be from electrification of end uses in~~  
12 ~~low-income housing.~~ The limitations on electrification savings  
13 that may be counted toward a utility's annual savings goals  
14 are separate from and in addition to the subsection (b-25)  
15 limitations governing the counting of the other fuel savings  
16 resulting from efficiency measures and programs.

17 As part of the annual informational filing to the  
18 Commission that is required under paragraph (9) of subsection  
19 (g) of this Section, each utility shall identify the specific  
20 electrification measures offered under this subsection (b-27);  
21 the quantity of each electrification measure that was  
22 installed by its customers; the average total cost, average  
23 utility cost, average reduction in fossil fuel consumption,  
24 and average increase in electricity consumption associated  
25 with each electrification measure; the portion of  
26 installations of each electrification measure that were in

1 low-income single-family housing, low-income multifamily  
2 housing, non-low-income single-family housing, non-low-income  
3 multifamily housing, commercial buildings, and industrial  
4 facilities; and the quantity of savings associated with each  
5 measure category in each customer category that are being  
6 counted toward the utility's applicable annual total savings  
7 requirement or counted toward each year's incremental annual  
8 savings, as defined in paragraph (b-16) of this Section. Prior  
9 to installing or promoting ~~an~~ electrification measures  
10 ~~measure,~~ the utility shall provide customers ~~a customer~~ with  
11 estimates ~~an estimate~~ of the impact of the new measures  
12 ~~measure~~ on the customer's average monthly electric bill and  
13 total annual energy expenses.

14 (c) Electric utilities shall be responsible for overseeing  
15 the design, development, and filing of energy efficiency plans  
16 with the Commission and may, as part of that implementation,  
17 outsource various aspects of program development and  
18 implementation. A minimum of 10%, for electric utilities that  
19 serve more than 3,000,000 retail customers in the State, and a  
20 minimum of 7%, for electric utilities that serve less than  
21 3,000,000 retail customers but more than 500,000 retail  
22 customers in the State, of the utility's entire portfolio  
23 funding level for a given year shall be used to procure  
24 cost-effective energy efficiency measures from units of local  
25 government, municipal corporations, school districts, public  
26 housing, public institutions of higher education, and

1 community college districts, provided that a minimum  
2 percentage of available funds shall be used to procure energy  
3 efficiency from public housing, which percentage shall be  
4 equal to public housing's share of public building energy  
5 consumption.

6 The utilities shall also implement energy efficiency  
7 measures targeted at low-income households, which, for  
8 purposes of this Section, shall be defined as households at or  
9 below 80% of area median income, and expenditures to implement  
10 the measures shall be no less than 25% of total energy  
11 efficiency program spending approved by the Commission  
12 pursuant to review of plans filed under subsection (f) of this  
13 Section ~~\$40,000,000 per year for electric utilities that serve~~  
14 ~~more than 3,000,000 retail customers in the State and no less~~  
15 ~~than \$13,000,000 per year for electric utilities that serve~~  
16 ~~less than 3,000,000 retail customers but more than 500,000~~  
17 ~~retail customers in the State.~~ The ratio of spending on  
18 efficiency programs targeted at low-income multifamily  
19 buildings to spending on efficiency programs targeted at  
20 low-income single-family buildings shall be designed to  
21 achieve levels of savings from each building type that are  
22 approximately proportional to the magnitude of cost-effective  
23 lifetime savings potential in each building type. Investment  
24 in low-income whole-building weatherization programs shall  
25 constitute a minimum of 80% of a utility's total budget  
26 specifically dedicated to serving low-income customers.

1           The utilities shall work to bundle low-income energy  
2 efficiency offerings with other programs that serve low-income  
3 households to maximize the benefits going to these households.  
4 The utilities shall market and implement low-income energy  
5 efficiency programs in coordination with low-income assistance  
6 programs, the Illinois Solar for All Program, and  
7 weatherization whenever practicable. The program implementer  
8 shall walk the customer through the enrollment process for any  
9 programs for which the customer is eligible. The utilities  
10 shall also pilot targeting customers with high arrearages,  
11 high energy intensity (ratio of energy usage divided by home  
12 or unit square footage), or energy assistance programs with  
13 energy efficiency offerings, and then track reduction in  
14 arrearages as a result of the targeting. This targeting and  
15 bundling of low-income energy programs shall be offered to  
16 both low-income single-family and multifamily customers  
17 (owners and residents).

18           The utilities shall invest in health and safety measures  
19 appropriate and necessary for comprehensively weatherizing a  
20 home or multifamily building, and shall implement a health and  
21 safety fund of at least 15% of the total income-qualified  
22 weatherization budget that shall be used for the purpose of  
23 making grants for technical assistance, construction,  
24 reconstruction, improvement, or repair of buildings to  
25 facilitate their participation in the energy efficiency  
26 programs targeted at low-income single-family and multifamily

1 households. These funds may also be used for the purpose of  
2 making grants for technical assistance, construction,  
3 reconstruction, improvement, or repair of the following  
4 buildings to facilitate their participation in the energy  
5 efficiency programs created by this Section: (1) buildings  
6 that are owned or operated by registered 501(c)(3) public  
7 charities; and (2) day care centers, day care homes, or group  
8 day care homes, as defined under 89 Ill. Adm. Code Part 406,  
9 407, or 408, respectively.

10 Each electric utility shall assess opportunities to  
11 implement cost-effective energy efficiency measures and  
12 programs through a public housing authority or authorities  
13 located in its service territory. If such opportunities are  
14 identified, the utility shall propose such measures and  
15 programs to address the opportunities. Expenditures to address  
16 such opportunities shall be credited toward the minimum  
17 procurement and expenditure requirements set forth in this  
18 subsection (c).

19 Implementation of energy efficiency measures and programs  
20 targeted at low-income households should be contracted, when  
21 it is practicable, to independent third parties that have  
22 demonstrated capabilities to serve such households, with a  
23 preference for not-for-profit entities and government agencies  
24 that have existing relationships with or experience serving  
25 low-income communities in the State.

26 Each electric utility shall develop and implement

1 reporting procedures that address and assist in determining  
2 the amount of energy savings that can be applied to the  
3 low-income procurement and expenditure requirements set forth  
4 in this subsection (c). Each electric utility shall also track  
5 the types and quantities or volumes of insulation and air  
6 sealing materials, and their associated energy saving  
7 benefits, installed in energy efficiency programs targeted at  
8 low-income single-family and multifamily households.

9 The electric utilities shall participate in a low-income  
10 energy efficiency accountability committee ("the committee"),  
11 which will directly inform the design, implementation, and  
12 evaluation of the low-income and public-housing energy  
13 efficiency programs. The committee shall be comprised of the  
14 electric utilities subject to the requirements of this  
15 Section, the gas utilities subject to the requirements of  
16 Section 8-104 of this Act, the utilities' low-income energy  
17 efficiency implementation contractors, nonprofit  
18 organizations, community action agencies, advocacy groups,  
19 State and local governmental agencies, public-housing  
20 organizations, and representatives of community-based  
21 organizations, especially those living in or working with  
22 environmental justice communities and BIPOC communities. The  
23 committee shall be composed of 2 geographically differentiated  
24 subcommittees: one for stakeholders in northern Illinois and  
25 one for stakeholders in central and southern Illinois. The  
26 subcommittees shall meet together at least twice per year.

1           There shall be one statewide leadership committee led by  
2 and composed of community-based organizations that are  
3 representative of BIPOC and environmental justice communities  
4 and that includes equitable representation from BIPOC  
5 communities. The leadership committee shall be composed of an  
6 equal number of representatives from the 2 subcommittees. The  
7 subcommittees shall address specific programs and issues, with  
8 the leadership committee convening targeted workgroups as  
9 needed. The leadership committee may elect to work with an  
10 independent facilitator to solicit and organize feedback,  
11 recommendations and meeting participation from a wide variety  
12 of community-based stakeholders. If a facilitator is used,  
13 they shall be fair and responsive to the needs of all  
14 stakeholders involved in the committee. For a utility that  
15 serves more than 3,000,000 retail customers in the State, if a  
16 facilitator is used, they shall be retained by Commission  
17 staff.

18           All committee meetings must be accessible, with rotating  
19 locations if meetings are held in-person, virtual  
20 participation options, and materials and agendas circulated in  
21 advance.

22           There shall also be opportunities for direct input by  
23 committee members outside of committee meetings, such as via  
24 individual meetings, surveys, emails and calls, to ensure  
25 robust participation by stakeholders with limited capacity and  
26 ability to attend committee meetings. Committee meetings shall

1 emphasize opportunities to bundle and coordinate delivery of  
2 low-income energy efficiency with other programs that serve  
3 low-income communities, such as the Illinois Solar for All  
4 Program and bill payment assistance programs. Meetings shall  
5 include educational opportunities for stakeholders to learn  
6 more about these additional offerings, and the committee shall  
7 assist in figuring out the best methods for coordinated  
8 delivery and implementation of offerings when serving  
9 low-income communities. The committee shall directly and  
10 equitably influence and inform utility low-income and  
11 public-housing energy efficiency programs and priorities.  
12 Participating utilities shall implement recommendations from  
13 the committee whenever possible.

14 Participating utilities shall track and report how input  
15 from the committee has led to new approaches and changes in  
16 their energy efficiency portfolios. This reporting shall occur  
17 at committee meetings and in quarterly energy efficiency  
18 reports to the Stakeholder Advisory Group and Illinois  
19 Commerce Commission, and other relevant reporting mechanisms.  
20 Participating utilities shall also report on relevant equity  
21 data and metrics requested by the committee, such as energy  
22 burden data, geographic, racial, and other relevant  
23 demographic data on where programs are being delivered and  
24 what populations programs are serving.

25 The Illinois Commerce Commission shall oversee and have  
26 relevant staff participate in the committee. The committee



1 shall have a budget of 0.25% of each utility's entire  
2 efficiency portfolio funding for a given year. The budget  
3 shall be overseen by the Commission. The budget shall be used  
4 to provide grants for community-based organizations serving on  
5 the leadership committee, stipends for community-based  
6 organizations participating in the committee, grants for  
7 community-based organizations to do energy efficiency outreach  
8 and education, and relevant meeting needs as determined by the  
9 leadership committee. The education and outreach shall  
10 include, but is not limited to, basic energy efficiency  
11 education, information about low-income energy efficiency  
12 programs, and information on the committee's purpose,  
13 structure, and activities.

14 (d) Notwithstanding any other provision of law to the  
15 contrary, a utility providing approved energy efficiency  
16 measures and, if applicable, demand-response measures in the  
17 State shall be permitted to recover all reasonable and  
18 prudently incurred costs of those measures from all retail  
19 customers, except as provided in subsection (1) of this  
20 Section, as follows, provided that nothing in this subsection  
21 (d) permits the double recovery of such costs from customers:

22 (1) The utility may recover its costs through an  
23 automatic adjustment clause tariff filed with and approved  
24 by the Commission. The tariff shall be established outside  
25 the context of a general rate case. Each year the  
26 Commission shall initiate a review to reconcile any

1 amounts collected with the actual costs and to determine  
2 the required adjustment to the annual tariff factor to  
3 match annual expenditures. To enable the financing of the  
4 incremental capital expenditures, including regulatory  
5 assets, for electric utilities that serve less than  
6 3,000,000 retail customers but more than 500,000 retail  
7 customers in the State, the utility's actual year-end  
8 capital structure that includes a common equity ratio,  
9 excluding goodwill, of up to and including 50% of the  
10 total capital structure shall be deemed reasonable and  
11 used to set rates.

12 (2) A utility may recover its costs through an energy  
13 efficiency formula rate approved by the Commission under a  
14 filing under subsections (f) and (g) of this Section,  
15 which shall specify the cost components that form the  
16 basis of the rate charged to customers with sufficient  
17 specificity to operate in a standardized manner and be  
18 updated annually with transparent information that  
19 reflects the utility's actual costs to be recovered during  
20 the applicable rate year, which is the period beginning  
21 with the first billing day of January and extending  
22 through the last billing day of the following December.  
23 The energy efficiency formula rate shall be implemented  
24 through a tariff filed with the Commission under  
25 subsections (f) and (g) of this Section that is consistent  
26 with the provisions of this paragraph (2) and that shall

1 be applicable to all delivery services customers. The  
2 Commission shall conduct an investigation of the tariff in  
3 a manner consistent with the provisions of this paragraph  
4 (2), subsections (f) and (g) of this Section, and the  
5 provisions of Article IX of this Act to the extent they do  
6 not conflict with this paragraph (2). The energy  
7 efficiency formula rate approved by the Commission shall  
8 remain in effect at the discretion of the utility and  
9 shall do the following:

10 (A) Provide for the recovery of the utility's  
11 actual costs incurred under this Section that are  
12 prudently incurred and reasonable in amount consistent  
13 with Commission practice and law. The sole fact that a  
14 cost differs from that incurred in a prior calendar  
15 year or that an investment is different from that made  
16 in a prior calendar year shall not imply the  
17 imprudence or unreasonableness of that cost or  
18 investment.

19 (B) Reflect the utility's actual year-end capital  
20 structure for the applicable calendar year, excluding  
21 goodwill, subject to a determination of prudence and  
22 reasonableness consistent with Commission practice and  
23 law. To enable the financing of the incremental  
24 capital expenditures, including regulatory assets, for  
25 electric utilities that serve less than 3,000,000  
26 retail customers but more than 500,000 retail

1 customers in the State, a participating electric  
2 utility's actual year-end capital structure that  
3 includes a common equity ratio, excluding goodwill, of  
4 up to and including 50% of the total capital structure  
5 shall be deemed reasonable and used to set rates.

6 (C) Include a cost of equity that shall be equal to  
7 the baseline cost of equity approved by the Commission  
8 for the utility's electric distribution rates  
9 effective during the applicable year, whether those  
10 rates are set pursuant to Section 9-201, subparagraph  
11 (B) of paragraph (3) of subsection (d) of Section  
12 16-108.18, or any successor electric distribution  
13 ratemaking paradigm., ~~which shall be calculated as the~~  
14 ~~sum of the following:~~

15 ~~(i) the average for the applicable calendar~~  
16 ~~year of the monthly average yields of 30 year U.S.~~  
17 ~~Treasury bonds published by the Board of Governors~~  
18 ~~of the Federal Reserve System in its weekly H.15~~  
19 ~~Statistical Release or successor publication; and~~

20 ~~(ii) 580 basis points.~~

21 ~~At such time as the Board of Governors of the~~  
22 ~~Federal Reserve System ceases to include the monthly~~  
23 ~~average yields of 30 year U.S. Treasury bonds in its~~  
24 ~~weekly H.15 Statistical Release or successor~~  
25 ~~publication, the monthly average yields of the U.S.~~  
26 ~~Treasury bonds then having the longest duration~~

1 ~~published by the Board of Governors in its weekly H.15~~  
2 ~~Statistical Release or successor publication shall~~  
3 ~~instead be used for purposes of this paragraph (2).~~

4 (D) Permit and set forth protocols, subject to a  
5 determination of prudence and reasonableness  
6 consistent with Commission practice and law, for the  
7 following:

8 (i) recovery of incentive compensation expense  
9 that is based on the achievement of operational  
10 metrics, including metrics related to budget  
11 controls, outage duration and frequency, safety,  
12 customer service, efficiency and productivity, and  
13 environmental compliance; however, this protocol  
14 shall not apply if such expense related to costs  
15 incurred under this Section is recovered under  
16 Article IX or Section 16-108.5 of this Act;  
17 incentive compensation expense that is based on  
18 net income or an affiliate's earnings per share  
19 shall not be recoverable under the energy  
20 efficiency formula rate;

21 (ii) recovery of pension and other  
22 post-employment benefits expense, provided that  
23 such costs are supported by an actuarial study;  
24 however, this protocol shall not apply if such  
25 expense related to costs incurred under this  
26 Section is recovered under Article IX or Section

1 16-108.5 of this Act;

2 (iii) recovery of existing regulatory assets  
3 over the periods previously authorized by the  
4 Commission;

5 (iv) as described in subsection (e),  
6 amortization of costs incurred under this Section;  
7 and

8 (v) projected, weather normalized billing  
9 determinants for the applicable rate year.

10 (E) Provide for an annual reconciliation, as  
11 described in paragraph (3) of this subsection (d),  
12 less any deferred taxes related to the reconciliation,  
13 with interest at an annual rate of return equal to the  
14 utility's weighted average cost of capital, including  
15 a revenue conversion factor calculated to recover or  
16 refund all additional income taxes that may be payable  
17 or receivable as a result of that return, of the energy  
18 efficiency revenue requirement reflected in rates for  
19 each calendar year, beginning with the calendar year  
20 in which the utility files its energy efficiency  
21 formula rate tariff under this paragraph (2), with  
22 what the revenue requirement would have been had the  
23 actual cost information for the applicable calendar  
24 year been available at the filing date.

25 The utility shall file, together with its tariff, the  
26 projected costs to be incurred by the utility during the

1 rate year under the utility's multi-year plan approved  
2 under subsections (f) and (g) of this Section, including,  
3 but not limited to, the projected capital investment costs  
4 and projected regulatory asset balances with  
5 correspondingly updated depreciation and amortization  
6 reserves and expense, that shall populate the energy  
7 efficiency formula rate and set the initial rates under  
8 the formula.

9 The Commission shall review the proposed tariff in  
10 conjunction with its review of a proposed multi-year plan,  
11 as specified in paragraph (5) of subsection (g) of this  
12 Section. The review shall be based on the same evidentiary  
13 standards, including, but not limited to, those concerning  
14 the prudence and reasonableness of the costs incurred by  
15 the utility, the Commission applies in a hearing to review  
16 a filing for a general increase in rates under Article IX  
17 of this Act. The initial rates shall take effect beginning  
18 with the January monthly billing period following the  
19 Commission's approval.

20 The tariff's rate design and cost allocation across  
21 customer classes shall be consistent with the utility's  
22 automatic adjustment clause tariff in effect on June 1,  
23 2017 (the effective date of Public Act 99-906); however,  
24 the Commission may revise the tariff's rate design and  
25 cost allocation in subsequent proceedings under paragraph  
26 (3) of this subsection (d).

1           If the energy efficiency formula rate is terminated,  
2           the then current rates shall remain in effect until such  
3           time as the energy efficiency costs are incorporated into  
4           new rates that are set under this subsection (d) or  
5           Article IX of this Act, subject to retroactive rate  
6           adjustment, with interest, to reconcile rates charged with  
7           actual costs.

8           (3) The provisions of this paragraph (3) shall only  
9           apply to an electric utility that has elected to file an  
10          energy efficiency formula rate under paragraph (2) of this  
11          subsection (d). Subsequent to the Commission's issuance of  
12          an order approving the utility's energy efficiency formula  
13          rate structure and protocols, and initial rates under  
14          paragraph (2) of this subsection (d), the utility shall  
15          file, on or before June 1 of each year, with the Chief  
16          Clerk of the Commission its updated cost inputs to the  
17          energy efficiency formula rate for the applicable rate  
18          year and the corresponding new charges, as well as the  
19          information described in paragraph (9) of subsection (g)  
20          of this Section. Each such filing shall conform to the  
21          following requirements and include the following  
22          information:

23                (A) The inputs to the energy efficiency formula  
24                rate for the applicable rate year shall be based on the  
25                projected costs to be incurred by the utility during  
26                the rate year under the utility's multi-year plan



1 approved under subsections (f) and (g) of this  
2 Section, including, but not limited to, projected  
3 capital investment costs and projected regulatory  
4 asset balances with correspondingly updated  
5 depreciation and amortization reserves and expense.  
6 The filing shall also include a reconciliation of the  
7 energy efficiency revenue requirement that was in  
8 effect for the prior rate year (as set by the cost  
9 inputs for the prior rate year) with the actual  
10 revenue requirement for the prior rate year  
11 (determined using a year-end rate base) that uses  
12 amounts reflected in the applicable FERC Form 1 that  
13 reports the actual costs for the prior rate year. Any  
14 over-collection or under-collection indicated by such  
15 reconciliation shall be reflected as a credit against,  
16 or recovered as an additional charge to, respectively,  
17 with interest calculated at a rate equal to the  
18 utility's weighted average cost of capital approved by  
19 the Commission for the prior rate year, the charges  
20 for the applicable rate year. Such over-collection or  
21 under-collection shall be adjusted to remove any  
22 deferred taxes related to the reconciliation, for  
23 purposes of calculating interest at an annual rate of  
24 return equal to the utility's weighted average cost of  
25 capital approved by the Commission for the prior rate  
26 year, including a revenue conversion factor calculated

1 to recover or refund all additional income taxes that  
2 may be payable or receivable as a result of that  
3 return. Each reconciliation shall be certified by the  
4 participating utility in the same manner that FERC  
5 Form 1 is certified. The filing shall also include the  
6 charge or credit, if any, resulting from the  
7 calculation required by subparagraph (E) of paragraph  
8 (2) of this subsection (d).

9 Notwithstanding any other provision of law to the  
10 contrary, the intent of the reconciliation is to  
11 ultimately reconcile both the revenue requirement  
12 reflected in rates for each calendar year, beginning  
13 with the calendar year in which the utility files its  
14 energy efficiency formula rate tariff under paragraph  
15 (2) of this subsection (d), with what the revenue  
16 requirement determined using a year-end rate base for  
17 the applicable calendar year would have been had the  
18 actual cost information for the applicable calendar  
19 year been available at the filing date.

20 For purposes of this Section, "FERC Form 1" means  
21 the Annual Report of Major Electric Utilities,  
22 Licensees and Others that electric utilities are  
23 required to file with the Federal Energy Regulatory  
24 Commission under the Federal Power Act, Sections 3,  
25 4(a), 304 and 209, modified as necessary to be  
26 consistent with 83 Ill. Adm. Code Part 415 as of May 1,

1           2011. Nothing in this Section is intended to allow  
2           costs that are not otherwise recoverable to be  
3           recoverable by virtue of inclusion in FERC Form 1.

4           (B) The new charges shall take effect beginning on  
5           the first billing day of the following January billing  
6           period and remain in effect through the last billing  
7           day of the next December billing period regardless of  
8           whether the Commission enters upon a hearing under  
9           this paragraph (3).

10          (C) The filing shall include relevant and  
11          necessary data and documentation for the applicable  
12          rate year. Normalization adjustments shall not be  
13          required.

14          Within 45 days after the utility files its annual  
15          update of cost inputs to the energy efficiency formula  
16          rate, the Commission shall with reasonable notice,  
17          initiate a proceeding concerning whether the projected  
18          costs to be incurred by the utility and recovered during  
19          the applicable rate year, and that are reflected in the  
20          inputs to the energy efficiency formula rate, are  
21          consistent with the utility's approved multi-year plan  
22          under subsections (f) and (g) of this Section and whether  
23          the costs incurred by the utility during the prior rate  
24          year were prudent and reasonable. The Commission shall  
25          also have the authority to investigate the information and  
26          data described in paragraph (9) of subsection (g) of this

1 Section, including the proposed adjustment to the  
2 utility's return on equity component of its weighted  
3 average cost of capital. During the course of the  
4 proceeding, each objection shall be stated with  
5 particularity and evidence provided in support thereof,  
6 after which the utility shall have the opportunity to  
7 rebut the evidence. Discovery shall be allowed consistent  
8 with the Commission's Rules of Practice, which Rules of  
9 Practice shall be enforced by the Commission or the  
10 assigned administrative law judge. The Commission shall  
11 apply the same evidentiary standards, including, but not  
12 limited to, those concerning the prudence and  
13 reasonableness of the costs incurred by the utility,  
14 during the proceeding as it would apply in a proceeding to  
15 review a filing for a general increase in rates under  
16 Article IX of this Act. The Commission shall not, however,  
17 have the authority in a proceeding under this paragraph  
18 (3) to consider or order any changes to the structure or  
19 protocols of the energy efficiency formula rate approved  
20 under paragraph (2) of this subsection (d). In a  
21 proceeding under this paragraph (3), the Commission shall  
22 enter its order no later than the earlier of 195 days after  
23 the utility's filing of its annual update of cost inputs  
24 to the energy efficiency formula rate or December 15. The  
25 utility's proposed return on equity calculation, as  
26 described in paragraphs (7) through (9) of subsection (g)

1 of this Section, shall be deemed the final, approved  
2 calculation on December 15 of the year in which it is filed  
3 unless the Commission enters an order on or before  
4 December 15, after notice and hearing, that modifies such  
5 calculation consistent with this Section. The Commission's  
6 determinations of the prudence and reasonableness of the  
7 costs incurred, and determination of such return on equity  
8 calculation, for the applicable calendar year shall be  
9 final upon entry of the Commission's order and shall not  
10 be subject to reopening, reexamination, or collateral  
11 attack in any other Commission proceeding, case, docket,  
12 order, rule, or regulation; however, nothing in this  
13 paragraph (3) shall prohibit a party from petitioning the  
14 Commission to rehear or appeal to the courts the order  
15 under the provisions of this Act.

16 (e) Beginning on June 1, 2017 (the effective date of  
17 Public Act 99-906), a utility subject to the requirements of  
18 this Section may elect to defer, as a regulatory asset, up to  
19 the full amount of its expenditures incurred under this  
20 Section for each annual period, including, but not limited to,  
21 any expenditures incurred above the funding level set by  
22 subsection (f) of this Section for a given year. The total  
23 expenditures deferred as a regulatory asset in a given year  
24 shall be amortized and recovered over a period that is equal to  
25 the weighted average of the energy efficiency measure lives  
26 implemented for that year that are reflected in the regulatory

1 asset. The unamortized balance shall be recognized as of  
2 December 31 for a given year. The utility shall also earn a  
3 return on the total of the unamortized balances of all of the  
4 energy efficiency regulatory assets, less any deferred taxes  
5 related to those unamortized balances, at an annual rate equal  
6 to the utility's weighted average cost of capital that  
7 includes, based on a year-end capital structure, the utility's  
8 actual cost of debt for the applicable calendar year and a cost  
9 of equity, which shall be determined as set forth in  
10 subparagraph (C) of paragraph (2) of subsection of this  
11 Section ~~calculated as the sum of the (i) the average for the~~  
12 ~~applicable calendar year of the monthly average yields of~~  
13 ~~30-year U.S. Treasury bonds published by the Board of~~  
14 ~~Governors of the Federal Reserve System in its weekly H.15~~  
15 ~~Statistical Release or successor publication; and (ii) 500~~  
16 ~~basis points~~, including a revenue conversion factor calculated  
17 to recover or refund all additional income taxes that may be  
18 payable or receivable as a result of that return. Capital  
19 investment costs shall be depreciated and recovered over their  
20 useful lives consistent with generally accepted accounting  
21 principles. The weighted average cost of capital shall be  
22 applied to the capital investment cost balance, less any  
23 accumulated depreciation and accumulated deferred income  
24 taxes, as of December 31 for a given year.

25 When an electric utility creates a regulatory asset under  
26 the provisions of this Section, the costs are recovered over a

1 period during which customers also receive a benefit which is  
2 in the public interest. Accordingly, it is the intent of the  
3 General Assembly that an electric utility that elects to  
4 create a regulatory asset under the provisions of this Section  
5 shall recover all of the associated costs as set forth in this  
6 Section. After the Commission has approved the prudence and  
7 reasonableness of the costs that comprise the regulatory  
8 asset, the electric utility shall be permitted to recover all  
9 such costs, and the value and recoverability through rates of  
10 the associated regulatory asset shall not be limited, altered,  
11 impaired, or reduced.

12 (f) Beginning in 2017, each electric utility shall file an  
13 energy efficiency plan with the Commission to meet the energy  
14 efficiency standards for the next applicable multi-year period  
15 beginning January 1 of the year following the filing,  
16 according to the schedule set forth in paragraphs (1) through  
17 (3) of this subsection (f). If a utility does not file such a  
18 plan on or before the applicable filing deadline for the plan,  
19 it shall face a penalty of \$100,000 per day until the plan is  
20 filed.

21 (1) No later than 30 days after June 1, 2017 (the  
22 effective date of Public Act 99-906), each electric  
23 utility shall file a 4-year energy efficiency plan  
24 commencing on January 1, 2018 that is designed to achieve  
25 the cumulative persisting annual savings goals specified  
26 in paragraphs (1) through (4) of subsection (b-5) of this

1 Section or in paragraphs (1) through (4) of subsection  
2 (b-15) of this Section, as applicable, through  
3 implementation of energy efficiency measures; however, the  
4 goals may be reduced if the utility's expenditures are  
5 limited pursuant to subsection (m) of this Section or, for  
6 a utility that serves less than 3,000,000 retail  
7 customers, if each of the following conditions are met:  
8 (A) the plan's analysis and forecasts of the utility's  
9 ability to acquire energy savings demonstrate that  
10 achievement of such goals is not cost effective; and (B)  
11 the amount of energy savings achieved by the utility as  
12 determined by the independent evaluator for the most  
13 recent year for which savings have been evaluated  
14 preceding the plan filing was less than the average annual  
15 amount of savings required to achieve the goals for the  
16 applicable 4-year plan period. Except as provided in  
17 subsection (m) of this Section, annual increases in  
18 cumulative persisting annual savings goals during the  
19 applicable 4-year plan period shall not be reduced to  
20 amounts that are less than the maximum amount of  
21 cumulative persisting annual savings that is forecast to  
22 be cost-effectively achievable during the 4-year plan  
23 period. The Commission shall review any proposed goal  
24 reduction as part of its review and approval of the  
25 utility's proposed plan.

26 (2) No later than March 1, 2021, each electric utility



1 shall file a 4-year energy efficiency plan commencing on  
2 January 1, 2022 that is designed to achieve the cumulative  
3 persisting annual savings goals specified in paragraphs  
4 (5) through (8) of subsection (b-5) of this Section or in  
5 paragraphs (5) through (8) of subsection (b-15) of this  
6 Section, as applicable, through implementation of energy  
7 efficiency measures; however, the goals may be reduced if  
8 either (1) clear and convincing evidence demonstrates,  
9 through independent analysis, that the expenditure limits  
10 in subsection (m) of this Section preclude full  
11 achievement of the goals or (2) each of the following  
12 conditions are met: (A) the plan's analysis and forecasts  
13 of the utility's ability to acquire energy savings  
14 demonstrate by clear and convincing evidence and through  
15 independent analysis that achievement of such goals is not  
16 cost effective; and (B) the amount of energy savings  
17 achieved by the utility as determined by the independent  
18 evaluator for the most recent year for which savings have  
19 been evaluated preceding the plan filing was less than the  
20 average annual amount of savings required to achieve the  
21 goals for the applicable 4-year plan period. If there is  
22 not clear and convincing evidence that achieving the  
23 savings goals specified in paragraph (b-5) or (b-15) of  
24 this Section is possible both cost-effectively and within  
25 the expenditure limits in subsection (m), such savings  
26 goals shall not be reduced. Except as provided in

1 subsection (m) of this Section, annual increases in  
2 cumulative persisting annual savings goals during the  
3 applicable 4-year plan period shall not be reduced to  
4 amounts that are less than the maximum amount of  
5 cumulative persisting annual savings that is forecast to  
6 be cost-effectively achievable during the 4-year plan  
7 period. The Commission shall review any proposed goal  
8 reduction as part of its review and approval of the  
9 utility's proposed plan.

10 (2.5) Provisions of the multi-year plans for calendar  
11 years 2026 through 2029 that relate to calendar year 2026  
12 and that were filed by the electric utilities on February  
13 28, 2025 shall remain in effect through calendar year  
14 2026. Provisions of the plans for calendar years 2027  
15 through 2029 shall be modified and resubmitted to the  
16 Commission by the electric utilities pursuant to paragraph  
17 (3) of this subsection (f).

18 (3) No later than March 1, 2026 or the effective date  
19 of this amendatory Act of the 104th General Assembly,  
20 whichever is later 2025, each electric utility shall file  
21 a 3-year ~~4-year~~ energy efficiency plan commencing on  
22 January 1, 2027 ~~2026~~ that is designed to achieve, through  
23 implementation of energy efficiency measures, lifetime  
24 energy equal to the product of the incremental annual  
25 savings goals defined by paragraph (1) of subsection  
26 (b-16) and the minimum average savings life defined by

1 paragraph (3) of subsection (b-16). The 3-year energy  
2 efficiency plan of a utility that serves less than  
3 3,000,000 retail customers but more than 500,000 retail  
4 customers in the State must also be designed to achieve  
5 lifetime peak demand savings equal to the product of the  
6 incremental annual savings goals defined by paragraph (2)  
7 of subsection (b-16) and the minimum average savings life  
8 defined by paragraph (3) of subsection (b-16) through  
9 implementation of energy efficiency measures. The savings  
10 goals may be reduced if: (i) clear and convincing evidence  
11 and independent analysis demonstrates that the expenditure  
12 limits in subsection (m) of this Section preclude full  
13 achievement of the goals, (ii) each of the following  
14 conditions are met: (A) the plan's analysis and forecasts  
15 of the utility's ability to acquire energy savings  
16 demonstrate by clear and convincing evidence and through  
17 independent analysis that achievement of such goals is not  
18 cost-effective; and (B) the amount of energy savings  
19 achieved by the utility, as determined by the independent  
20 evaluator, for the most recent year for which savings have  
21 been evaluated preceding the plan filing was less than the  
22 average annual amount of savings required to achieve the  
23 goals for the applicable multi-year plan period, or (iii)  
24 changes in federal law, programs, or tariffs have a  
25 significant and demonstrable impact on the cost of  
26 delivering measures and programs. If there is not clear

1 and convincing evidence that achieving the savings goals  
2 specified in subsection (b-16) is possible both  
3 cost-effectively and within the expenditure limits in  
4 subsection (m), such savings goals shall not be reduced.  
5 Except as provided in subsection (m), annual savings goals  
6 during the applicable multi-year plan period shall not be  
7 reduced to amounts that are less than the maximum amount  
8 of annual savings that is forecasted to be  
9 cost-effectively achievable during the applicable  
10 multi-year plan period. The Commission shall review any  
11 proposed goal reduction as part of its review and approval  
12 of the utility's proposed plan. ~~the cumulative persisting~~  
13 ~~annual savings goals specified in paragraphs (9) through~~  
14 ~~(12) of subsection (b 5) of this Section or in paragraphs~~  
15 ~~(9) through (12) of subsection (b 15) of this Section, as~~  
16 ~~applicable, through implementation of energy efficiency~~  
17 ~~measures; however, the goals may be reduced if either (1)~~  
18 ~~clear and convincing evidence demonstrates, through~~  
19 ~~independent analysis, that the expenditure limits in~~  
20 ~~subsection (m) of this Section preclude full achievement~~  
21 ~~of the goals or (2) each of the following conditions are~~  
22 ~~met: (A) the plan's analysis and forecasts of the~~  
23 ~~utility's ability to acquire energy savings demonstrate by~~  
24 ~~clear and convincing evidence and through independent~~  
25 ~~analysis that achievement of such goals is not cost~~  
26 ~~effective; and (B) the amount of energy savings achieved~~

1 ~~by the utility as determined by the independent evaluator~~  
2 ~~for the most recent year for which savings have been~~  
3 ~~evaluated preceding the plan filing was less than the~~  
4 ~~average annual amount of savings required to achieve the~~  
5 ~~goals for the applicable 4 year plan period. If there is~~  
6 ~~not clear and convincing evidence that achieving the~~  
7 ~~savings goals specified in paragraphs (b 5) or (b 15) of~~  
8 ~~this Section is possible both cost effectively and within~~  
9 ~~the expenditure limits in subsection (m), such savings~~  
10 ~~goals shall not be reduced. Except as provided in~~  
11 ~~subsection (m) of this Section, annual increases in~~  
12 ~~cumulative persisting annual savings goals during the~~  
13 ~~applicable 4 year plan period shall not be reduced to~~  
14 ~~amounts that are less than the maximum amount of~~  
15 ~~cumulative persisting annual savings that is forecast to~~  
16 ~~be cost effectively achievable during the 4 year plan~~  
17 ~~period. The Commission shall review any proposed goal~~  
18 ~~reduction as part of its review and approval of the~~  
19 ~~utility's proposed plan.~~

20 (4) No later than March 1, 2029, and every 4 years  
21 thereafter, each electric utility shall file a 4-year  
22 energy efficiency plan commencing on January 1, 2030, and  
23 every 4 years thereafter, respectively, that is designed  
24 to achieve ~~the cumulative persisting annual savings goals~~  
25 ~~established by the Illinois Commerce Commission pursuant~~  
26 ~~to direction of subsections (b 5) and (b 15) of this~~

1 ~~Section, as applicable,~~ through implementation of energy  
2 efficiency measures, lifetime energy equal to the product  
3 of the incremental annual savings goals defined by  
4 paragraph (1) of subsection (b-16) and the minimum average  
5 savings life described in paragraph (C) of subsection  
6 (b-16) of this Section. The 3-year energy efficiency plan  
7 of a utility that serves less than 3,000,000 retail  
8 customers but more than 500,000 retail customers in the  
9 State must also be designed to achieve lifetime peak  
10 demand savings equal to the product of the incremental  
11 annual savings goals defined by paragraph (2) of  
12 subsection (b-16) and the minimum average savings life  
13 defined by paragraph (3) of subsection (b-16) through  
14 implementation of energy efficiency measures. However,  
15 ~~however,~~ the goals may be reduced if: either (1) clear and  
16 convincing evidence and independent analysis demonstrates  
17 that the expenditure limits in subsection (m) of this  
18 Section preclude full achievement of the goals, ~~or~~ (2)  
19 each of the following conditions are met: (A) the plan's  
20 analysis and forecasts of the utility's ability to acquire  
21 energy savings demonstrate by clear and convincing  
22 evidence and through independent analysis that achievement  
23 of such goals is not cost-effective; and (B) the amount of  
24 energy savings achieved by the utility as determined by  
25 the independent evaluator for the most recent year for  
26 which savings have been evaluated preceding the plan

1 filing was less than the average annual amount of savings  
2 required to achieve the goals for the applicable  
3 multi-year 4-year plan period, or (3) changes in federal  
4 law, programs, or tariffs have a significant and  
5 demonstrable impact on the cost of delivering measures and  
6 programs. If there is not clear and convincing evidence  
7 that achieving the savings goals specified in paragraph  
8 (b-16) paragraphs (b-5) or (b-15) of this Section is  
9 possible both cost-effectively and within the expenditure  
10 limits in subsection (m), such savings goals shall not be  
11 reduced. Except as provided in subsection (m) of this  
12 Section, ~~annual increases in cumulative persisting~~ annual  
13 savings goals during the applicable multi-year 4-year plan  
14 period shall not be reduced to amounts that are less than  
15 the maximum amount of ~~cumulative persisting~~ annual savings  
16 that is forecast to be cost-effectively achievable during  
17 the applicable multi-year 4-year plan period. The  
18 Commission shall review any proposed goal reduction as  
19 part of its review and approval of the utility's proposed  
20 plan.

21 Each utility's plan shall set forth the utility's  
22 proposals to meet the energy efficiency standards identified  
23 in subsection (b-5), ~~or~~ (b-15), or (b-16), as applicable and  
24 as such standards may have been modified under this subsection  
25 (f), taking into account the unique circumstances of the  
26 utility's service territory. For those plans commencing on

1 January 1, 2018, the Commission shall seek public comment on  
2 the utility's plan and shall issue an order approving or  
3 disapproving each plan no later than 105 days after June 1,  
4 2017 (the effective date of Public Act 99-906). For those  
5 plans commencing after December 31, 2021, the Commission shall  
6 seek public comment on the utility's plan and shall issue an  
7 order approving or disapproving each plan within 6 months  
8 after its submission. If the Commission disapproves a plan,  
9 the Commission shall, within 30 days, describe in detail the  
10 reasons for the disapproval and describe a path by which the  
11 utility may file a revised draft of the plan to address the  
12 Commission's concerns satisfactorily. If the utility does not  
13 refile with the Commission within 60 days, the utility shall  
14 be subject to penalties at a rate of \$100,000 per day until the  
15 plan is filed. This process shall continue, and penalties  
16 shall accrue, until the utility has successfully filed a  
17 portfolio of energy efficiency and demand-response measures.  
18 Penalties shall be deposited into the Energy Efficiency Trust  
19 Fund.

20 (g) In submitting proposed plans and funding levels under  
21 subsection (f) of this Section to meet the savings goals  
22 identified in subsection (b-5), ~~or~~ (b-15), or (b-16) of this  
23 Section, as applicable, the utility shall:

24 (1) Demonstrate that its proposed energy efficiency  
25 measures will achieve the applicable requirements that are  
26 identified in subsection (b-5), ~~or~~ (b-15), or (b-16) of



1 this Section, as modified by subsection (f) of this  
2 Section.

3 (2) (Blank).

4 (2.5) Demonstrate consideration of program options for  
5 (A) advancing new building codes, appliance standards, and  
6 municipal regulations governing existing and new building  
7 efficiency improvements and (B) supporting efforts to  
8 improve compliance with new building codes, appliance  
9 standards and municipal regulations, as potentially  
10 cost-effective means of acquiring energy savings to count  
11 toward savings goals.

12 (3) Demonstrate that its overall portfolio of  
13 measures, not including low-income programs described in  
14 subsection (c) of this Section, is cost-effective using  
15 the total resource cost test or complies with paragraphs  
16 (1) through (3) of subsection (f) of this Section and  
17 represents a diverse cross-section of opportunities for  
18 customers of all rate classes, other than those customers  
19 described in subsection (1) of this Section, to  
20 participate in the programs. Individual measures need not  
21 be cost effective.

22 (3.5) Demonstrate that the utility's plan integrates  
23 the delivery of energy efficiency programs with natural  
24 gas efficiency programs, programs promoting distributed  
25 solar, programs promoting demand response and other  
26 efforts to address bill payment issues, including, but not

1 limited to, LIHEAP and the Percentage of Income Payment  
2 Plan, to the extent such integration is practical and has  
3 the potential to enhance customer engagement, minimize  
4 market confusion, or reduce administrative costs.

5 (4) If the utility chooses, present ~~Present~~ a  
6 third-party energy efficiency implementation program  
7 subject to the following requirements:

8 (A) (blank); ~~beginning with the year commencing~~  
9 ~~January 1, 2019, electric utilities that serve more~~  
10 ~~than 3,000,000 retail customers in the State shall~~  
11 ~~fund third party energy efficiency programs in an~~  
12 ~~amount that is no less than \$25,000,000 per year, and~~  
13 ~~electric utilities that serve less than 3,000,000~~  
14 ~~retail customers but more than 500,000 retail~~  
15 ~~customers in the State shall fund third party energy~~  
16 ~~efficiency programs in an amount that is no less than~~  
17 ~~\$8,350,000 per year;~~

18 (B) during 2018, the utility shall conduct a  
19 solicitation process for purposes of requesting  
20 proposals from third-party vendors for those  
21 third-party energy efficiency programs to be offered  
22 during one or more of the years commencing January 1,  
23 2019, January 1, 2020, and January 1, 2021; for those  
24 multi-year plans commencing on January 1, 2022 and  
25 January 1, 2026, the utility shall conduct a  
26 solicitation process during 2021 and 2025,

1           respectively, for purposes of requesting proposals  
2           from third-party vendors for those third-party energy  
3           efficiency programs to be offered during one or more  
4           years of the respective multi-year plan period; for  
5           each solicitation process, the utility shall identify  
6           the sector, technology, or geographical area for which  
7           it is seeking requests for proposals; the solicitation  
8           process must be either for programs that fill gaps in  
9           the utility's program portfolio and for programs that  
10          target low-income customers, business sectors,  
11          building types, geographies, or other specific parts  
12          of its customer base with initiatives that would be  
13          more effective at reaching these customer segments  
14          than the utilities' programs filed in its energy  
15          efficiency plans;

16                (C) the utility shall propose the bidder  
17                qualifications, performance measurement process, and  
18                contract structure, which must include a performance  
19                payment mechanism and general terms and conditions;  
20                the proposed qualifications, process, and structure  
21                shall be subject to Commission approval; and

22                (D) the utility shall retain an independent third  
23                party to score the proposals received through the  
24                solicitation process described in this paragraph (4),  
25                rank them according to their cost per lifetime  
26                kilowatt-hours saved, and assemble the portfolio of

1           third-party programs.

2           The electric utility shall recover all costs  
3 associated with Commission-approved, third-party  
4 administered programs regardless of the success of those  
5 programs.

6           (4.5) Implement cost-effective demand-response  
7 measures to reduce peak demand by 0.1% over the prior year  
8 for eligible retail customers, as defined in Section  
9 16-111.5 of this Act, and for customers that elect hourly  
10 service from the utility pursuant to Section 16-107 of  
11 this Act, provided those customers have not been declared  
12 competitive. This requirement continues until December 31,  
13 2026.

14           (5) Include a proposed or revised cost-recovery tariff  
15 mechanism, as provided for under subsection (d) of this  
16 Section, to fund the proposed energy efficiency and  
17 demand-response measures and to ensure the recovery of the  
18 prudently and reasonably incurred costs of  
19 Commission-approved programs.

20           (6) Provide for an annual independent evaluation of  
21 the performance of the cost-effectiveness of the utility's  
22 portfolio of measures, as well as a full review of the  
23 multi-year plan results of the broader net program impacts  
24 and, to the extent practical, for adjustment of the  
25 measures on a going-forward basis as a result of the  
26 evaluations. The resources dedicated to evaluation shall

1 not exceed 3% of portfolio resources in any given year.

2 (7) For electric utilities that serve more than  
3 3,000,000 retail customers in the State:

4 (A) Through December 31, 2026 ~~2025~~, provide for an  
5 adjustment to the return on equity component of the  
6 utility's weighted average cost of capital calculated  
7 under subsection (d) of this Section:

8 (i) If the independent evaluator determines  
9 that the utility achieved a cumulative persisting  
10 annual savings that is less than the applicable  
11 annual incremental goal, then the return on equity  
12 component shall be reduced by a maximum of 200  
13 basis points in the event that the utility  
14 achieved no more than 75% of such goal. If the  
15 utility achieved more than 75% of the applicable  
16 annual incremental goal but less than 100% of such  
17 goal, then the return on equity component shall be  
18 reduced by 8 basis points for each percent by  
19 which the utility failed to achieve the goal.

20 (ii) If the independent evaluator determines  
21 that the utility achieved a cumulative persisting  
22 annual savings that is more than the applicable  
23 annual incremental goal, then the return on equity  
24 component shall be increased by a maximum of 200  
25 basis points in the event that the utility  
26 achieved at least 125% of such goal. If the

1 utility achieved more than 100% of the applicable  
2 annual incremental goal but less than 125% of such  
3 goal, then the return on equity component shall be  
4 increased by 8 basis points for each percent by  
5 which the utility achieved above the goal. If the  
6 applicable annual incremental goal was reduced  
7 under paragraph (1) or (2) of subsection (f) of  
8 this Section, then the following adjustments shall  
9 be made to the calculations described in this item  
10 (ii):

11 (aa) the calculation for determining  
12 achievement that is at least 125% of the  
13 applicable annual incremental goal shall use  
14 the unreduced applicable annual incremental  
15 goal to set the value; and

16 (bb) the calculation for determining  
17 achievement that is less than 125% but more  
18 than 100% of the applicable annual incremental  
19 goal shall use the reduced applicable annual  
20 incremental goal to set the value for 100%  
21 achievement of the goal and shall use the  
22 unreduced goal to set the value for 125%  
23 achievement. The 8 basis point value shall  
24 also be modified, as necessary, so that the  
25 200 basis points are evenly apportioned among  
26 each percentage point value between 100% and

1 125% achievement.

2 (B) (Blank). ~~For the period January 1, 2026~~  
3 ~~through December 31, 2029 and in all subsequent 4-year~~  
4 ~~periods, provide for an adjustment to the return on~~  
5 ~~equity component of the utility's weighted average~~  
6 ~~cost of capital calculated under subsection (d) of~~  
7 ~~this Section:~~

8 ~~(i) If the independent evaluator determines~~  
9 ~~that the utility achieved a cumulative persisting~~  
10 ~~annual savings that is less than the applicable~~  
11 ~~annual incremental goal, then the return on equity~~  
12 ~~component shall be reduced by a maximum of 200~~  
13 ~~basis points in the event that the utility~~  
14 ~~achieved no more than 66% of such goal. If the~~  
15 ~~utility achieved more than 66% of the applicable~~  
16 ~~annual incremental goal but less than 100% of such~~  
17 ~~goal, then the return on equity component shall be~~  
18 ~~reduced by 6 basis points for each percent by~~  
19 ~~which the utility failed to achieve the goal.~~

20 ~~(ii) If the independent evaluator determines~~  
21 ~~that the utility achieved a cumulative persisting~~  
22 ~~annual savings that is more than the applicable~~  
23 ~~annual incremental goal, then the return on equity~~  
24 ~~component shall be increased by a maximum of 200~~  
25 ~~basis points in the event that the utility~~  
26 ~~achieved at least 134% of such goal. If the~~

1 ~~utility achieved more than 100% of the applicable~~  
2 ~~annual incremental goal but less than 134% of such~~  
3 ~~goal, then the return on equity component shall be~~  
4 ~~increased by 6 basis points for each percent by~~  
5 ~~which the utility achieved above the goal. If the~~  
6 ~~applicable annual incremental goal was reduced~~  
7 ~~under paragraph (3) of subsection (f) of this~~  
8 ~~Section, then the following adjustments shall be~~  
9 ~~made to the calculations described in this item~~  
10 ~~(ii):~~

11 ~~(aa) the calculation for determining~~  
12 ~~achievement that is at least 134% of the~~  
13 ~~applicable annual incremental goal shall use~~  
14 ~~the unreduced applicable annual incremental~~  
15 ~~goal to set the value; and~~

16 ~~(bb) the calculation for determining~~  
17 ~~achievement that is less than 134% but more~~  
18 ~~than 100% of the applicable annual incremental~~  
19 ~~goal shall use the reduced applicable annual~~  
20 ~~incremental goal to set the value for 100%~~  
21 ~~achievement of the goal and shall use the~~  
22 ~~unreduced goal to set the value for 134%~~  
23 ~~achievement. The 6 basis point value shall~~  
24 ~~also be modified, as necessary, so that the~~  
25 ~~200 basis points are evenly apportioned among~~  
26 ~~each percentage point value between 100% and~~



1 ~~134% achievement.~~

2 (C) (Blank). ~~Notwithstanding the provisions of~~  
3 ~~subparagraphs (A) and (B) of this paragraph (7), if~~  
4 ~~the applicable annual incremental goal for an electric~~  
5 ~~utility is ever less than 0.6% of deemed average~~  
6 ~~weather normalized sales of electric power and energy~~  
7 ~~during calendar years 2014, 2015, and 2016, an~~  
8 ~~adjustment to the return on equity component of the~~  
9 ~~utility's weighted average cost of capital calculated~~  
10 ~~under subsection (d) of this Section shall be made as~~  
11 ~~follows:~~

12 ~~(i) If the independent evaluator determines~~  
13 ~~that the utility achieved a cumulative persisting~~  
14 ~~annual savings that is less than would have been~~  
15 ~~achieved had the applicable annual incremental~~  
16 ~~goal been achieved, then the return on equity~~  
17 ~~component shall be reduced by a maximum of 200~~  
18 ~~basis points if the utility achieved no more than~~  
19 ~~75% of its applicable annual total savings~~  
20 ~~requirement as defined in paragraph (7.5) of this~~  
21 ~~subsection. If the utility achieved more than 75%~~  
22 ~~of the applicable annual total savings requirement~~  
23 ~~but less than 100% of such goal, then the return on~~  
24 ~~equity component shall be reduced by 8 basis~~  
25 ~~points for each percent by which the utility~~  
26 ~~failed to achieve the goal.~~

1           ~~(ii) If the independent evaluator determines~~  
2           ~~that the utility achieved a cumulative persisting~~  
3           ~~annual savings that is more than would have been~~  
4           ~~achieved had the applicable annual incremental~~  
5           ~~goal been achieved, then the return on equity~~  
6           ~~component shall be increased by a maximum of 200~~  
7           ~~basis points if the utility achieved at least 125%~~  
8           ~~of its applicable annual total savings~~  
9           ~~requirement. If the utility achieved more than~~  
10           ~~100% of the applicable annual total savings~~  
11           ~~requirement but less than 125% of such goal, then~~  
12           ~~the return on equity component shall be increased~~  
13           ~~by 8 basis points for each percent by which the~~  
14           ~~utility achieved above the applicable annual total~~  
15           ~~savings requirement. If the applicable annual~~  
16           ~~incremental goal was reduced under paragraph (1)~~  
17           ~~or (2) of subsection (f) of this Section, then the~~  
18           ~~following adjustments shall be made to the~~  
19           ~~calculations described in this item (ii):~~

20           ~~(aa) the calculation for determining~~  
21           ~~achievement that is at least 125% of the~~  
22           ~~applicable annual total savings requirement~~  
23           ~~shall use the unreduced applicable annual~~  
24           ~~incremental goal to set the value; and~~

25           ~~(bb) the calculation for determining~~  
26           ~~achievement that is less than 125% but more~~

1 ~~than 100% of the applicable annual total~~  
2 ~~savings requirement shall use the reduced~~  
3 ~~applicable annual incremental goal to set the~~  
4 ~~value for 100% achievement of the goal and~~  
5 ~~shall use the unreduced goal to set the value~~  
6 ~~for 125% achievement. The 8 basis point value~~  
7 ~~shall also be modified, as necessary, so that~~  
8 ~~the 200 basis points are evenly apportioned~~  
9 ~~among each percentage point value between 100%~~  
10 ~~and 125% achievement.~~

11 (7.5) For purposes of this Section, the term  
12 "applicable annual incremental goal" means the difference  
13 between the cumulative persisting annual savings goal for  
14 the calendar year that is the subject of the independent  
15 evaluator's determination and the cumulative persisting  
16 annual savings goal for the immediately preceding calendar  
17 year, as such goals are defined in subsections (b-5) and  
18 (b-15) of this Section and as these goals may have been  
19 modified as provided for under subsection (b-20) and  
20 paragraphs (1) and (2) ~~through (3)~~ of subsection (f) of  
21 this Section. Under subsections (b), (b-5), (b-10), and  
22 (b-15) of this Section, a utility must first replace  
23 energy savings from measures that have expired before any  
24 progress towards achievement of its applicable annual  
25 incremental goal may be counted. Savings may expire  
26 because measures installed in previous years have reached

1 the end of their lives, because measures installed in  
2 previous years are producing lower savings in the current  
3 year than in the previous year, or for other reasons  
4 identified by independent evaluators. Notwithstanding  
5 anything else set forth in this Section, the difference  
6 between the actual annual incremental savings achieved in  
7 any given year, including the replacement of energy  
8 savings that have expired, and the applicable annual  
9 incremental goal shall not affect adjustments to the  
10 return on equity for subsequent calendar years under this  
11 subsection (g).

12 In this Section, "applicable annual total savings  
13 requirement" means the total amount of new annual savings  
14 that the utility must achieve in any given year to achieve  
15 the applicable annual incremental goal. This is equal to  
16 the applicable annual incremental goal plus the total new  
17 annual savings that are required to replace savings that  
18 expired in or at the end of the previous year.

19 (8) For electric utilities that serve less than  
20 3,000,000 retail customers but more than 500,000 retail  
21 customers in the State:

22 (A) Through December 31, 2026 ~~2025~~, the applicable  
23 annual incremental goal shall be compared to the  
24 annual incremental savings as determined by the  
25 independent evaluator.

26 (i) The return on equity component shall be

1 reduced by 8 basis points for each percent by  
2 which the utility did not achieve 84.4% of the  
3 applicable annual incremental goal.

4 (ii) The return on equity component shall be  
5 increased by 8 basis points for each percent by  
6 which the utility exceeded 100% of the applicable  
7 annual incremental goal.

8 (iii) The return on equity component shall not  
9 be increased or decreased if the annual  
10 incremental savings as determined by the  
11 independent evaluator is greater than 84.4% of the  
12 applicable annual incremental goal and less than  
13 100% of the applicable annual incremental goal.

14 (iv) The return on equity component shall not  
15 be increased or decreased by an amount greater  
16 than 200 basis points pursuant to this  
17 subparagraph (A).

18 (B) (Blank). ~~For the period of January 1, 2026~~  
19 ~~through December 31, 2029 and in all subsequent 4 year~~  
20 ~~periods, the applicable annual incremental goal shall~~  
21 ~~be compared to the annual incremental savings as~~  
22 ~~determined by the independent evaluator.~~

23 ~~(i) The return on equity component shall be~~  
24 ~~reduced by 6 basis points for each percent by~~  
25 ~~which the utility did not achieve 100% of the~~  
26 ~~applicable annual incremental goal.~~

1           ~~(ii) The return on equity component shall be~~  
2           ~~increased by 6 basis points for each percent by~~  
3           ~~which the utility exceeded 100% of the applicable~~  
4           ~~annual incremental goal.~~

5           ~~(iii) The return on equity component shall not~~  
6           ~~be increased or decreased by an amount greater~~  
7           ~~than 200 basis points pursuant to this~~  
8           ~~subparagraph (B).~~

9           (C) (Blank). ~~Notwithstanding provisions in~~  
10          ~~subparagraphs (A) and (B) of paragraph (7) of this~~  
11          ~~subsection, if the applicable annual incremental goal~~  
12          ~~for an electric utility is ever less than 0.6% of~~  
13          ~~deemed average weather normalized sales of electric~~  
14          ~~power and energy during calendar years 2014, 2015 and~~  
15          ~~2016, an adjustment to the return on equity component~~  
16          ~~of the utility's weighted average cost of capital~~  
17          ~~calculated under subsection (d) of this Section shall~~  
18          ~~be made as follows:~~

19           ~~(i) The return on equity component shall be~~  
20           ~~reduced by 8 basis points for each percent by~~  
21           ~~which the utility did not achieve 100% of the~~  
22           ~~applicable annual total savings requirement.~~

23           ~~(ii) The return on equity component shall be~~  
24           ~~increased by 8 basis points for each percent by~~  
25           ~~which the utility exceeded 100% of the applicable~~  
26           ~~annual total savings requirement.~~

1           ~~(iii) The return on equity component shall not~~  
2           ~~be increased or decreased by an amount greater~~  
3           ~~than 200 basis points pursuant to this~~  
4           ~~subparagraph (C).~~

5           (D) (Blank). ~~If the applicable annual incremental~~  
6           ~~goal was reduced under paragraph (1), (2), (3), or (4)~~  
7           ~~of subsection (f) of this Section, then the following~~  
8           ~~adjustments shall be made to the calculations~~  
9           ~~described in subparagraphs (A), (B), and (C) of this~~  
10           ~~paragraph (8):~~

11           ~~(i) The calculation for determining~~  
12           ~~achievement that is at least 125% or 134%, as~~  
13           ~~applicable, of the applicable annual incremental~~  
14           ~~goal or the applicable annual total savings~~  
15           ~~requirement, as applicable, shall use the~~  
16           ~~unreduced applicable annual incremental goal to~~  
17           ~~set the value.~~

18           ~~(ii) For the period through December 31, 2025,~~  
19           ~~the calculation for determining achievement that~~  
20           ~~is less than 125% but more than 100% of the~~  
21           ~~applicable annual incremental goal or the~~  
22           ~~applicable annual total savings requirement, as~~  
23           ~~applicable, shall use the reduced applicable~~  
24           ~~annual incremental goal to set the value for 100%~~  
25           ~~achievement of the goal and shall use the~~  
26           ~~unreduced goal to set the value for 125%~~

1 ~~achievement. The 8 basis point value shall also be~~  
2 ~~modified, as necessary, so that the 200 basis~~  
3 ~~points are evenly apportioned among each~~  
4 ~~percentage point value between 100% and 125%~~  
5 ~~achievement.~~

6 ~~(iii) For the period of January 1, 2026~~  
7 ~~through December 31, 2029 and all subsequent~~  
8 ~~4 year periods, the calculation for determining~~  
9 ~~achievement that is less than 125% or 134%, as~~  
10 ~~applicable, but more than 100% of the applicable~~  
11 ~~annual incremental goal or the applicable annual~~  
12 ~~total savings requirement, as applicable, shall~~  
13 ~~use the reduced applicable annual incremental goal~~  
14 ~~to set the value for 100% achievement of the goal~~  
15 ~~and shall use the unreduced goal to set the value~~  
16 ~~for 125% achievement. The 6 basis point value or 8~~  
17 ~~basis point value, as applicable, shall also be~~  
18 ~~modified, as necessary, so that the 200 basis~~  
19 ~~points are evenly apportioned among each~~  
20 ~~percentage point value between 100% and 125% or~~  
21 ~~between 100% and 134% achievement, as applicable.~~

22 (8.5) Beginning January 1, 2027, a utility that serves  
23 greater than 500,000 retail customers in the State shall  
24 have the utility's return on equity modified for  
25 performance on the utility's energy savings and peak  
26 demand savings goals as follows:



1           (A) The return on equity for a utility that serves  
2 more than 3,000,000 retail customers in the State may  
3 be adjusted up or down by a maximum of 200 basis points  
4 for its performance relative to its incremental annual  
5 energy savings goal. The return on equity for a  
6 utility that serves less than 3,000,000 retail  
7 customers but more than 500,000 retail customers in  
8 the State may be adjusted up or down by a maximum of  
9 100 basis points for its performance relative to its  
10 incremental annual energy savings goal and a maximum  
11 of 100 basis points for its performance relative to  
12 its incremental annual coincident peak demand savings  
13 goal.

14           (B) A utility's performance on its savings goals  
15 shall be established by comparing the actual lifetime  
16 energy, and coincident peak demand savings if a  
17 utility serves less than 3,000,000 retail customers  
18 but more than 500,000 retail customers in the State,  
19 achieved from efficiency measures installed in a given  
20 year to the product of the incremental annual goals  
21 established in paragraphs (1) and (2) of subsection  
22 (b-16) and the minimum average savings lives  
23 established in paragraph (3) of subsection (b-16), as  
24 modified, if applicable, by the Commission under  
25 paragraph (4) of subsection (f) of this Section. For  
26 the purposes of this paragraph (8.5), "lifetime

1 savings" means the total incremental savings that  
2 installed efficiency measures are projected to  
3 produce, relative to what would have occurred absent  
4 to the utility's efficiency programs, over the useful  
5 lives of the measures. Performance on the energy  
6 savings goal, and coincident peak demand savings if a  
7 utility serves less than 3,000,000 retail customers  
8 but more than 500,000 retail customers in the State,  
9 shall be assessed separately, such that it is possible  
10 to earn penalties on both, earn bonuses on both, or  
11 earn a bonus for performance on one goal and a penalty  
12 on the other.

13 (C) No bonus shall be earned if a utility does not  
14 achieve greater than 100% of an approved goal. The  
15 maximum bonus for a goal shall be earned if the utility  
16 achieves 125% of the unmodified goal. For a utility  
17 that serves less than 3,000,000 retail customers but  
18 more than 500,000 retail customers in the State, the  
19 bonus earned for achieving more than 100% of an  
20 approved goal but less than 125% of the unmodified  
21 goal shall be linearly interpolated. For a utility  
22 with more than 3,000,000 retail customers, the maximum  
23 bonus for a goal shall be earned if the utility  
24 achieves 125% of the unmodified goal. For a utility  
25 with more than 3,000,000 retail customers, the bonus  
26 earned for achieving more than 100% of an approved

1           goal but less than 125% of the unmodified goal shall be  
2           linearly interpolated.

3           (D) For utilities with greater than 3,000,000  
4           retail customers, the return on equity shall be  
5           unmodified due to performance on an individual goal  
6           only if the utility achieves exactly 100% of the goal.  
7           For utilities with more than 500,000 but fewer than  
8           3,000,000 retail customers, the return on equity shall  
9           be unmodified for achieving between 85% and 100% of  
10           the goal.

11           (E) Penalties may be earned for falling short of  
12           goals, with the magnitude of any penalty being a  
13           function of both the size of the utility and whether  
14           goals established in subsection (b-16) are modified by  
15           the Commission under paragraph (4) of subsection (f)  
16           of this Section, as follows:

17           (i) If the savings goals specified in  
18           subsection (b-16) of this Section are unmodified,  
19           a utility with more than 3,000,000 retail  
20           customers shall earn the maximum penalty allocated  
21           to a goal for achieving 75% or less of the goal.  
22           The penalty for achieving greater than 75% but  
23           less than 100% of the goal shall be linearly  
24           interpolated.

25           (ii) If the savings goals specified in  
26           subsection (b-16) of this Section are unmodified,

1           a utility with more than 500,000 but fewer than  
2           3,000,000 retail customers shall earn the maximum  
3           penalty allocated to a goal for achieving at least  
4           33.3 percentage points less than the bottom end of  
5           the deadband specified in subparagraph (D) of this  
6           paragraph (8.5). The penalty for achieving less  
7           than the bottom end of the deadband and greater  
8           than 33.3 percentage points less than the bottom  
9           end of the deadband shall be linearly  
10           interpolated.

11           (iii) If either the energy or peak demand  
12           savings goals specified in subsection (b-16) are  
13           reduced under paragraph (3) or (4) of subsection  
14           (f) of this Section, the maximum penalty allocated  
15           to a goal shall be earned if the utility achieves  
16           80% or less of the modified goal. The penalty for  
17           achieving more than 80% but less than 100% of a  
18           modified goal shall be linearly interpolated.

19           (9) The utility shall submit the energy savings data  
20           to the independent evaluator no later than 30 days after  
21           the close of the plan year. The independent evaluator  
22           shall determine the cumulative persisting annual savings  
23           and annual incremental savings for a given plan year, as  
24           well as an estimate of job impacts and other macroeconomic  
25           impacts of the efficiency programs for that year, no later  
26           than 120 days after the close of the plan year. The utility

1 shall submit an informational filing to the Commission no  
2 later than 160 days after the close of the plan year that  
3 attaches the independent evaluator's final report  
4 identifying the cumulative persisting annual savings for  
5 the year and calculates, under paragraph (7) or (8) of  
6 this subsection (g), as applicable, any resulting change  
7 to the utility's return on equity component of the  
8 weighted average cost of capital applicable to the next  
9 plan year beginning with the January monthly billing  
10 period and extending through the December monthly billing  
11 period. However, if the utility recovers the costs  
12 incurred under this Section under paragraphs (2) and (3)  
13 of subsection (d) of this Section, then the utility shall  
14 not be required to submit such informational filing, and  
15 shall instead submit the information that would otherwise  
16 be included in the informational filing as part of its  
17 filing under paragraph (3) of such subsection (d) that is  
18 due on or before June 1 of each year.

19 For those utilities that must submit the informational  
20 filing, the Commission may, on its own motion or by  
21 petition, initiate an investigation of such filing,  
22 provided, however, that the utility's proposed return on  
23 equity calculation shall be deemed the final, approved  
24 calculation on December 15 of the year in which it is filed  
25 unless the Commission enters an order on or before  
26 December 15, after notice and hearing, that modifies such

1 calculation consistent with this Section.

2 The adjustments to the return on equity component  
3 described in paragraphs (7) and (8) of this subsection (g)  
4 shall be applied as described in such paragraphs through a  
5 separate tariff mechanism, which shall be filed by the  
6 utility under subsections (f) and (g) of this Section.

7 (9.5) The utility must demonstrate how it will ensure  
8 that program implementation contractors and energy  
9 efficiency installation vendors will promote workforce  
10 equity and quality jobs. For all construction,  
11 installation, or other related services procured under  
12 this Section, an electric utility must:

13 (A) award a bid preference of 2% to a contractor if  
14 the contractor certifies under oath that the  
15 contractor's primary place of business is located  
16 within the utility's service area; and

17 (B) award a bid preference of 2% to a contractor if  
18 the contractor certifies under oath that at least 85%  
19 of the workforce to be utilized for such construction,  
20 installation, or other related services reside in the  
21 utility's service area.

22 (9.6) Utilities shall collect data necessary to ensure  
23 compliance with paragraph (9.5) no less than quarterly and  
24 shall communicate progress toward compliance with  
25 paragraph (9.5) to program implementation contractors and  
26 energy efficiency installation vendors no less than

1           quarterly. Utilities shall work with relevant vendors,  
2           providing education, training, and other resources needed  
3           to ensure compliance and, where necessary, adjusting or  
4           terminating work with vendors that cannot assist with  
5           compliance.

6           (10) Utilities required to implement efficiency  
7           programs under subsections (b-5), ~~and~~ (b-10), and (b-16)  
8           shall report annually to the Illinois Commerce Commission  
9           and the General Assembly on how hiring, contracting, job  
10          training, and other practices related to its energy  
11          efficiency programs enhance the diversity of vendors  
12          working on such programs. These reports must include data  
13          on vendor and employee diversity, including data on the  
14          implementation of paragraphs (9.5) and (9.6) and the  
15          proportion of total program dollars awarded to firms that  
16          meet the criteria of subparagraphs (A) and (B) of  
17          paragraph (9.5). If the utility is not meeting the  
18          requirements of paragraphs (9.5) and (9.6), the utility  
19          shall submit a plan to adjust their activities so that  
20          they meet the requirements of paragraphs (9.5) and (9.6)  
21          within the following year.

22          (h) No more than 4% of energy efficiency and  
23          demand-response program revenue may be allocated for research,  
24          development, or pilot deployment of new equipment or measures.  
25          Electric utilities shall work with interested stakeholders to  
26          formulate a plan for how these funds should be spent,

1 incorporate statewide approaches for these allocations, and  
2 file a 4-year plan that demonstrates that collaboration. If a  
3 utility files a request for modified annual energy savings  
4 goals with the Commission, then a utility shall forgo spending  
5 portfolio dollars on research and development proposals.

6 (i) When practicable, electric utilities shall incorporate  
7 advanced metering infrastructure data into the planning,  
8 implementation, and evaluation of energy efficiency measures  
9 and programs, subject to the data privacy and confidentiality  
10 protections of applicable law.

11 (j) The independent evaluator shall follow the guidelines  
12 and use the savings set forth in Commission-approved energy  
13 efficiency policy manuals and technical reference manuals, as  
14 each may be updated from time to time. Until such time as  
15 measure life values for energy efficiency measures implemented  
16 for low-income households under subsection (c) of this Section  
17 are incorporated into such Commission-approved manuals, the  
18 low-income measures shall have the same measure life values  
19 that are established for same measures implemented in  
20 households that are not low-income households.

21 (k) Notwithstanding any provision of law to the contrary,  
22 an electric utility subject to the requirements of this  
23 Section may file a tariff cancelling an automatic adjustment  
24 clause tariff in effect under this Section or Section 8-103,  
25 which shall take effect no later than one business day after  
26 the date such tariff is filed. Thereafter, the utility shall



1 be authorized to defer and recover its expenditures incurred  
2 under this Section through a new tariff authorized under  
3 subsection (d) of this Section or in the utility's next rate  
4 case under Article IX or Section 16-108.5 of this Act, with  
5 interest at an annual rate equal to the utility's weighted  
6 average cost of capital as approved by the Commission in such  
7 case. If the utility elects to file a new tariff under  
8 subsection (d) of this Section, the utility may file the  
9 tariff within 10 days after June 1, 2017 (the effective date of  
10 Public Act 99-906), and the cost inputs to such tariff shall be  
11 based on the projected costs to be incurred by the utility  
12 during the calendar year in which the new tariff is filed and  
13 that were not recovered under the tariff that was cancelled as  
14 provided for in this subsection. Such costs shall include  
15 those incurred or to be incurred by the utility under its  
16 multi-year plan approved under subsections (f) and (g) of this  
17 Section, including, but not limited to, projected capital  
18 investment costs and projected regulatory asset balances with  
19 correspondingly updated depreciation and amortization reserves  
20 and expense. The Commission shall, after notice and hearing,  
21 approve, or approve with modification, such tariff and cost  
22 inputs no later than 75 days after the utility filed the  
23 tariff, provided that such approval, or approval with  
24 modification, shall be consistent with the provisions of this  
25 Section to the extent they do not conflict with this  
26 subsection (k). The tariff approved by the Commission shall

1 take effect no later than 5 days after the Commission enters  
2 its order approving the tariff.

3 No later than 60 days after the effective date of the  
4 tariff cancelling the utility's automatic adjustment clause  
5 tariff, the utility shall file a reconciliation that  
6 reconciles the moneys collected under its automatic adjustment  
7 clause tariff with the costs incurred during the period  
8 beginning June 1, 2016 and ending on the date that the electric  
9 utility's automatic adjustment clause tariff was cancelled. In  
10 the event the reconciliation reflects an under-collection, the  
11 utility shall recover the costs as specified in this  
12 subsection (k). If the reconciliation reflects an  
13 over-collection, the utility shall apply the amount of such  
14 over-collection as a one-time credit to retail customers'  
15 bills.

16 (l) For the calendar years covered by a multi-year plan  
17 commencing after December 31, 2017, subsections (a) through  
18 (j) of this Section do not apply to eligible large private  
19 energy customers that have chosen to opt out of multi-year  
20 plans consistent with this subsection (l).

21 (1) For purposes of this subsection (l), "eligible  
22 large private energy customer" means any retail customers,  
23 except for federal, State, municipal, and other public  
24 customers, of an electric utility that serves more than  
25 3,000,000 retail customers, except for federal, State,  
26 municipal and other public customers, in the State and

1 whose total highest 30 minute demand was more than 10,000  
2 kilowatts, or any retail customers of an electric utility  
3 that serves less than 3,000,000 retail customers but more  
4 than 500,000 retail customers in the State and whose total  
5 highest 15 minute demand was more than 10,000 kilowatts.  
6 For purposes of this subsection (1), "retail customer" has  
7 the meaning set forth in Section 16-102 of this Act.  
8 However, for a business entity with multiple sites located  
9 in the State, where at least one of those sites qualifies  
10 as an eligible large private energy customer, then any of  
11 that business entity's sites, properly identified on a  
12 form for notice, shall be considered eligible large  
13 private energy customers for the purposes of this  
14 subsection (1). A determination of whether this subsection  
15 is applicable to a customer shall be made for each  
16 multi-year plan beginning after December 31, 2017. The  
17 criteria for determining whether this subsection (1) is  
18 applicable to a retail customer shall be based on the 12  
19 consecutive billing periods prior to the start of the  
20 first year of each such multi-year plan.

21 (2) Within 45 days after September 15, 2021 (the  
22 effective date of Public Act 102-662), the Commission  
23 shall prescribe the form for notice required for opting  
24 out of energy efficiency programs. The notice must be  
25 submitted to the retail electric utility 12 months before  
26 the next energy efficiency planning cycle. However, within

1 120 days after the Commission's initial issuance of the  
2 form for notice, eligible large private energy customers  
3 may submit a form for notice to an electric utility. The  
4 form for notice for opting out of energy efficiency  
5 programs shall include all of the following:

6 (A) a statement indicating that the customer has  
7 elected to opt out;

8 (B) the account numbers for the customer accounts  
9 to which the opt out shall apply;

10 (C) the mailing address associated with the  
11 customer accounts identified under subparagraph (B);

12 (D) an American Society of Heating, Refrigerating,  
13 and Air-Conditioning Engineers (ASHRAE) level 2 or  
14 higher audit report conducted by an independent  
15 third-party expert identifying cost-effective energy  
16 efficiency project opportunities that could be  
17 invested in over the next 10 years. A retail customer  
18 with specialized processes may utilize a self-audit  
19 process in lieu of the ASHRAE audit;

20 (E) a description of the customer's plans to  
21 reallocate the funds toward internal energy efficiency  
22 efforts identified in the subparagraph (D) report,  
23 including, but not limited to: (i) strategic energy  
24 management or other programs, including descriptions  
25 of targeted buildings, equipment and operations; (ii)  
26 eligible energy efficiency measures; and (iii)

1 expected energy savings, itemized by technology. If  
2 the subparagraph (D) audit report identifies that the  
3 customer currently utilizes the best available energy  
4 efficient technology, equipment, programs, and  
5 operations, the customer may provide a statement that  
6 more efficient technology, equipment, programs, and  
7 operations are not reasonably available as a means of  
8 satisfying this subparagraph (E); and

9 (F) the effective date of the opt out, which will  
10 be the next January 1 following notice of the opt out.

11 (3) Upon receipt of a properly and timely noticed  
12 request for opt out submitted by an eligible large private  
13 energy customer, the retail electric utility shall grant  
14 the request, file the request with the Commission and,  
15 beginning January 1 of the following year, the opted out  
16 customer shall no longer be assessed the costs of the plan  
17 and shall be prohibited from participating in that 4-year  
18 plan cycle to give the retail utility the certainty to  
19 design program plan proposals.

20 (4) Upon a customer's election to opt out under  
21 paragraphs (1) and (2) of this subsection (1) and  
22 commencing on the effective date of said opt out, the  
23 account properly identified in the customer's notice under  
24 paragraph (2) shall not be subject to any cost recovery  
25 and shall not be eligible to participate in, or directly  
26 benefit from, compliance with energy efficiency cumulative

1 persisting savings requirements under subsections (a)  
2 through (j).

3 (5) A utility's cumulative persisting annual savings  
4 targets will exclude any opted out load.

5 (6) The request to opt out is only valid for the  
6 requested plan cycle. An eligible large private energy  
7 customer must also request to opt out for future energy  
8 plan cycles, otherwise the customer will be included in  
9 the future energy plan cycle.

10 (m) Notwithstanding the requirements of this Section, as  
11 part of a proceeding to approve a multi-year plan under  
12 subsections (f) and (g) of this Section if the multi-year plan  
13 has been designed to maximize savings, but does not meet the  
14 cost cap limitations of this Section, the Commission shall  
15 reduce the amount of energy efficiency measures implemented  
16 for any single year, and whose costs are recovered under  
17 subsection (d) of this Section, by an amount necessary to  
18 limit the estimated average net increase due to the cost of the  
19 measures to no more than

20 (1) 3.5% for each of the 4 years beginning January 1,  
21 2018,

22 (2) (blank),

23 (3) 4% for each of the 4 years beginning January 1,  
24 2022,

25 (3.5) 4.25% for 2026,

26 (4) 4.25% for electric utilities that serve more than

1       3,000,000 retail customers in the State, and 4.21% for  
2       2027, 5.25% for 2028, and 6.06% for 2029 for electric  
3       utilities with less than 3,000,000 retail customers but  
4       more than 500,000 retail customers in the State, for the 3  
5       4 years beginning January 1, 2027 ~~2026~~, and

6           (5) the percentage specified in paragraph (4)  
7       applicable to 2029 ~~4.25%~~ plus an increase sufficient to  
8       account for the rate of inflation between January 1, 2027  
9       ~~2026~~ and January 1 of the first year of each subsequent  
10       4-year plan cycle,

11       of the average amount paid per kilowatthour by residential  
12       eligible retail customers during calendar year 2015 for plans  
13       in effect through 2026 and during calendar year 2023 for plans  
14       commencing in 2027 and thereafter. An electric utility may  
15       plan to spend up to 10% more in any year during an applicable  
16       multi-year plan period, including any transition period  
17       authorized under paragraph (2.5) of subsection (f), to  
18       cost-effectively achieve additional savings so long as the  
19       average over the applicable multi-year plan period, which  
20       shall include any transition period, does not exceed the  
21       percentages defined in items (1) through (5). To determine the  
22       total amount that may be spent by an electric utility in any  
23       single year, the applicable percentage of the average amount  
24       paid per kilowatthour shall be multiplied by the total amount  
25       of energy delivered by such electric utility in the calendar  
26       year 2015 for plans in effect through 2026 and during calendar

1 year 2023 for plans commencing in 2027 and thereafter,  
2 adjusted to reflect the proportion of the utility's load  
3 attributable to customers that have opted out of subsections  
4 (a) through (j) of this Section under subsection (l) of this  
5 Section. For purposes of this subsection (m), the amount paid  
6 per kilowatthour includes, without limitation, estimated  
7 amounts paid for supply, transmission, distribution,  
8 surcharges, and add-on taxes. For purposes of this Section,  
9 "eligible retail customers" shall have the meaning set forth  
10 in Section 16-111.5 of this Act. Once the Commission has  
11 approved a plan under subsections (f) and (g) of this Section,  
12 no subsequent rate impact determinations shall be made.

13 (n) A utility shall take advantage of the efficiencies  
14 available through existing Illinois Home Weatherization  
15 Assistance Program infrastructure and services, such as  
16 enrollment, marketing, quality assurance and implementation,  
17 which can reduce the need for similar services at a lower cost  
18 than utility-only programs, subject to capacity constraints at  
19 community action agencies, for both single-family and  
20 multifamily weatherization services, to the extent Illinois  
21 Home Weatherization Assistance Program community action  
22 agencies provide multifamily services. A utility's plan shall  
23 demonstrate that in formulating annual weatherization budgets,  
24 it has sought input and coordination with community action  
25 agencies regarding agencies' capacity to expand and maximize  
26 Illinois Home Weatherization Assistance Program delivery using



1 the ratepayer dollars collected under this Section.

2 (Source: P.A. 102-662, eff. 9-15-21; 103-154, eff. 6-30-23;  
3 103-613, eff. 7-1-24.)

4 (220 ILCS 5/8-406) (from Ch. 111 2/3, par. 8-406)

5 Sec. 8-406. Certificate of public convenience and  
6 necessity.

7 (a) No public utility not owning any city or village  
8 franchise nor engaged in performing any public service or in  
9 furnishing any product or commodity within this State as of  
10 July 1, 1921 and not possessing a certificate of public  
11 convenience and necessity from the Illinois Commerce  
12 Commission, the State Public Utilities Commission, or the  
13 Public Utilities Commission, at the time Public Act 84-617  
14 goes into effect (January 1, 1986), shall transact any  
15 business in this State until it shall have obtained a  
16 certificate from the Commission that public convenience and  
17 necessity require the transaction of such business. A  
18 certificate of public convenience and necessity requiring the  
19 transaction of public utility business in any area of this  
20 State shall include authorization to the public utility  
21 receiving the certificate of public convenience and necessity  
22 to construct such plant, equipment, property, or facility as  
23 is provided for under the terms and conditions of its tariff  
24 and as is necessary to provide utility service and carry out  
25 the transaction of public utility business by the public

1 utility in the designated area.

2 (b) No public utility shall begin the construction of any  
3 new plant, equipment, property, or facility which is not in  
4 substitution of any existing plant, equipment, property, or  
5 facility, or any extension or alteration thereof or in  
6 addition thereto, unless and until it shall have obtained from  
7 the Commission a certificate that public convenience and  
8 necessity require such construction. Whenever after a hearing  
9 the Commission determines that any new construction or the  
10 transaction of any business by a public utility will promote  
11 the public convenience and is necessary thereto, it shall have  
12 the power to issue certificates of public convenience and  
13 necessity. The Commission shall determine that proposed  
14 construction will promote the public convenience and necessity  
15 only if the utility demonstrates: (1) that the proposed  
16 construction is necessary to provide adequate, reliable, and  
17 efficient service to its customers and is the least-cost means  
18 of satisfying the service needs of its customers or that the  
19 proposed construction will promote the development of an  
20 effectively competitive electricity market that operates  
21 efficiently, is equitable to all customers, and is the  
22 least-cost ~~least-cost~~ means of satisfying those objectives;  
23 (2) that the utility is capable of efficiently managing and  
24 supervising the construction process and has taken sufficient  
25 action to ensure adequate and efficient construction and  
26 supervision thereof; and (3) that the utility is capable of

1 financing the proposed construction without significant  
2 adverse financial consequences for the utility or its  
3 customers.

4 (b-5) As used in this subsection (b-5):

5 "Qualifying direct current applicant" means an entity that  
6 seeks to provide direct current bulk transmission service for  
7 the purpose of transporting electric energy in interstate  
8 commerce.

9 "Qualifying direct current project" means a high voltage  
10 direct current electric service line that crosses at least one  
11 Illinois border, the Illinois portion of which is physically  
12 located within the region of the Midcontinent Independent  
13 System Operator, Inc., or its successor organization, and runs  
14 through the counties of Pike, Scott, Greene, Macoupin,  
15 Montgomery, Christian, Shelby, Cumberland, and Clark, is  
16 capable of transmitting electricity at voltages of 345  
17 kilovolts or above, and may also include associated  
18 interconnected alternating current interconnection facilities  
19 in this State that are part of the proposed project and  
20 reasonably necessary to connect the project with other  
21 portions of the grid.

22 Notwithstanding any other provision of this Act, a  
23 qualifying direct current applicant that does not own,  
24 control, operate, or manage, within this State, any plant,  
25 equipment, or property used or to be used for the transmission  
26 of electricity at the time of its application or of the

1 Commission's order may file an application on or before  
2 December 31, 2023 with the Commission pursuant to this Section  
3 or Section 8-406.1 for, and the Commission may grant, a  
4 certificate of public convenience and necessity to construct,  
5 operate, and maintain a qualifying direct current project. The  
6 qualifying direct current applicant may also include in the  
7 application requests for authority under Section 8-503. The  
8 Commission shall grant the application for a certificate of  
9 public convenience and necessity and requests for authority  
10 under Section 8-503 if it finds that the qualifying direct  
11 current applicant and the proposed qualifying direct current  
12 project satisfy the requirements of this subsection and  
13 otherwise satisfy the criteria of this Section or Section  
14 8-406.1 and the criteria of Section 8-503, as applicable to  
15 the application and to the extent such criteria are not  
16 superseded by the provisions of this subsection. The  
17 Commission's order on the application for the certificate of  
18 public convenience and necessity shall also include the  
19 Commission's findings and determinations on the request or  
20 requests for authority pursuant to Section 8-503. Prior to  
21 filing its application under either this Section or Section  
22 8-406.1, the qualifying direct current applicant shall conduct  
23 3 public meetings in accordance with subsection (h) of this  
24 Section. If the qualifying direct current applicant  
25 demonstrates in its application that the proposed qualifying  
26 direct current project is designed to deliver electricity to a

1 point or points on the electric transmission grid in either or  
2 both the PJM Interconnection, LLC or the Midcontinent  
3 Independent System Operator, Inc., or their respective  
4 successor organizations, the proposed qualifying direct  
5 current project shall be deemed to be, and the Commission  
6 shall find it to be, for public use. If the qualifying direct  
7 current applicant further demonstrates in its application that  
8 the proposed transmission project has a capacity of 1,000  
9 megawatts or larger and a voltage level of 345 kilovolts or  
10 greater, the proposed transmission project shall be deemed to  
11 satisfy, and the Commission shall find that it satisfies, the  
12 criteria stated in item (1) of subsection (b) of this Section  
13 or in paragraph (1) of subsection (f) of Section 8-406.1, as  
14 applicable to the application, without the taking of  
15 additional evidence on these criteria. Prior to the transfer  
16 of functional control of any transmission assets to a regional  
17 transmission organization, a qualifying direct current  
18 applicant shall request Commission approval to join a regional  
19 transmission organization in an application filed pursuant to  
20 this subsection (b-5) or separately pursuant to Section 7-102  
21 of this Act. The Commission may grant permission to a  
22 qualifying direct current applicant to join a regional  
23 transmission organization if it finds that the membership, and  
24 associated transfer of functional control of transmission  
25 assets, benefits Illinois customers in light of the attendant  
26 costs and is otherwise in the public interest. Nothing in this

1 subsection (b-5) requires a qualifying direct current  
2 applicant to join a regional transmission organization.  
3 Nothing in this subsection (b-5) requires the owner or  
4 operator of a high voltage direct current transmission line  
5 that is not a qualifying direct current project to obtain a  
6 certificate of public convenience and necessity to the extent  
7 it is not otherwise required by this Section 8-406 or any other  
8 provision of this Act.

9 (c) As used in this subsection (c):

10 "Decommissioning" has the meaning given to that term in  
11 subsection (a) of Section 8-508.1.

12 "Nuclear power reactor" has the meaning given to that term  
13 in Section 8 of the Nuclear Safety Law of 2004.

14 ~~After the effective date of this amendatory Act of the~~  
15 ~~103rd General Assembly, no construction shall commence on any~~  
16 ~~new nuclear power reactor with a nameplate capacity of more~~  
17 ~~than 300 megawatts of electricity to be located within this~~  
18 ~~State, and no certificate of public convenience and necessity~~  
19 ~~or other authorization shall be issued therefor by the~~  
20 ~~Commission, until the Illinois Emergency Management Agency and~~  
21 ~~Office of Homeland Security, in consultation with the Illinois~~  
22 ~~Environmental Protection Agency and the Illinois Department of~~  
23 ~~Natural Resources, finds that the United States Government,~~  
24 ~~through its authorized agency, has identified and approved a~~  
25 ~~demonstrable technology or means for the disposal of high~~  
26 ~~level nuclear waste, or until such construction has been~~

1 ~~specifically approved by a statute enacted by the General~~  
2 ~~Assembly.~~ Beginning January 1, 2026, construction may commence  
3 on a new nuclear power reactor ~~with a nameplate capacity of 300~~  
4 ~~megawatts of electricity or less~~ within this State if the  
5 entity constructing the new nuclear power reactor has obtained  
6 all permits, licenses, permissions, or approvals governing the  
7 construction, operation, and funding of decommissioning of  
8 such nuclear power reactors required by: (1) this Act; (2) any  
9 rules adopted by the Illinois Emergency Management Agency and  
10 Office of Homeland Security under the authority of this Act;  
11 (3) any applicable federal statutes, including, but not  
12 limited to, the Atomic Energy Act of 1954, the Energy  
13 Reorganization Act of 1974, the Low-Level Radioactive Waste  
14 Policy Amendments Act of 1985, and the Energy Policy Act of  
15 1992; (4) any regulations promulgated or enforced by the U.S.  
16 Nuclear Regulatory Commission, including, but not limited to,  
17 those codified at Title X, Parts 20, 30, 40, 50, 70, and 72 of  
18 the Code of Federal Regulations, as from time to time amended;  
19 and (5) any other federal or State statute, rule, or  
20 regulation governing the permitting, licensing, operation, or  
21 decommissioning of such nuclear power reactors. None of the  
22 rules developed by the Illinois Emergency Management Agency  
23 and Office of Homeland Security or any other State agency,  
24 board, or commission pursuant to this Act shall be construed  
25 to supersede the authority of the U.S. Nuclear Regulatory  
26 Commission. The changes made by this amendatory Act of the

1 103rd General Assembly shall not apply to the uprate, renewal,  
2 or subsequent renewal of any license for an existing nuclear  
3 power reactor that began operation prior to the effective date  
4 of this amendatory Act of the 103rd General Assembly.

5 None of the changes made in this amendatory Act of the  
6 103rd General Assembly are intended to authorize the  
7 construction of nuclear power plants powered by nuclear power  
8 reactors that are not either: (1) small modular nuclear  
9 reactors; or (2) nuclear power reactors licensed by the U.S.  
10 Nuclear Regulatory Commission to operate in this State ~~prior~~  
11 ~~to the effective date of this amendatory Act of the 103rd~~  
12 ~~General Assembly.~~

13 (d) In making its determination under subsection (b) of  
14 this Section, the Commission shall attach primary weight to  
15 the cost or cost savings to the customers of the utility. The  
16 Commission may consider any or all factors which will or may  
17 affect such cost or cost savings, including the public  
18 utility's engineering judgment regarding the materials used  
19 for construction.

20 (e) The Commission may issue a temporary certificate which  
21 shall remain in force not to exceed one year in cases of  
22 emergency, to assure maintenance of adequate service or to  
23 serve particular customers, without notice or hearing, pending  
24 the determination of an application for a certificate, and may  
25 by regulation exempt from the requirements of this Section  
26 temporary acts or operations for which the issuance of a



1 certificate will not be required in the public interest.

2 A public utility shall not be required to obtain but may  
3 apply for and obtain a certificate of public convenience and  
4 necessity pursuant to this Section with respect to any matter  
5 as to which it has received the authorization or order of the  
6 Commission under the Electric Supplier Act, and any such  
7 authorization or order granted a public utility by the  
8 Commission under that Act shall as between public utilities be  
9 deemed to be, and shall have except as provided in that Act the  
10 same force and effect as, a certificate of public convenience  
11 and necessity issued pursuant to this Section.

12 No electric cooperative shall be made or shall become a  
13 party to or shall be entitled to be heard or to otherwise  
14 appear or participate in any proceeding initiated under this  
15 Section for authorization of power plant construction and as  
16 to matters as to which a remedy is available under the Electric  
17 Supplier Act.

18 (f) Such certificates may be altered or modified by the  
19 Commission, upon its own motion or upon application by the  
20 person or corporation affected. Unless exercised within a  
21 period of 2 years from the grant thereof, authority conferred  
22 by a certificate of convenience and necessity issued by the  
23 Commission shall be null and void.

24 No certificate of public convenience and necessity shall  
25 be construed as granting a monopoly or an exclusive privilege,  
26 immunity or franchise.

1 (g) A public utility that undertakes any of the actions  
2 described in items (1) through (3) of this subsection (g) or  
3 that has obtained approval pursuant to Section 8-406.1 of this  
4 Act shall not be required to comply with the requirements of  
5 this Section to the extent such requirements otherwise would  
6 apply. For purposes of this Section and Section 8-406.1 of  
7 this Act, "high voltage electric service line" means an  
8 electric line having a design voltage of 100,000 or more. For  
9 purposes of this subsection (g), a public utility may do any of  
10 the following:

11 (1) replace or upgrade any existing high voltage  
12 electric service line and related facilities,  
13 notwithstanding its length;

14 (2) relocate any existing high voltage electric  
15 service line and related facilities, notwithstanding its  
16 length, to accommodate construction or expansion of a  
17 roadway or other transportation infrastructure; or

18 (3) construct a high voltage electric service line and  
19 related facilities that is constructed solely to serve a  
20 single customer's premises or to provide a generator  
21 interconnection to the public utility's transmission  
22 system and that will pass under or over the premises owned  
23 by the customer or generator to be served or under or over  
24 premises for which the customer or generator has secured  
25 the necessary right-of-way ~~right of way~~.

26 (h) A public utility seeking to construct a high-voltage

1 electric service line and related facilities (Project) must  
2 show that the utility has held a minimum of 2 pre-filing public  
3 meetings to receive public comment concerning the Project in  
4 each county where the Project is to be located, no earlier than  
5 6 months prior to filing an application for a certificate of  
6 public convenience and necessity from the Commission. Notice  
7 of the public meeting shall be published in a newspaper of  
8 general circulation within the affected county once a week for  
9 3 consecutive weeks, beginning no earlier than one month prior  
10 to the first public meeting. If the Project traverses 2  
11 contiguous counties and where in one county the transmission  
12 line mileage and number of landowners over whose property the  
13 proposed route traverses is one-fifth or less of the  
14 transmission line mileage and number of such landowners of the  
15 other county, then the utility may combine the 2 pre-filing  
16 meetings in the county with the greater transmission line  
17 mileage and affected landowners. All other requirements  
18 regarding pre-filing meetings shall apply in both counties.  
19 Notice of the public meeting, including a description of the  
20 Project, must be provided in writing to the clerk of each  
21 county where the Project is to be located. A representative of  
22 the Commission shall be invited to each pre-filing public  
23 meeting.

24 (h-5) A public utility seeking to construct a high-voltage  
25 electric service line and related facilities must also show  
26 that the Project has complied with training and competence

1 requirements under subsection (b) of Section 15 of the  
2 Electric Transmission Systems Construction Standards Act.

3 (i) For applications filed after August 18, 2015 (the  
4 effective date of Public Act 99-399), the Commission shall, by  
5 certified mail, notify each owner of record of land, as  
6 identified in the records of the relevant county tax assessor,  
7 included in the right-of-way over which the utility seeks in  
8 its application to construct a high-voltage electric line of  
9 the time and place scheduled for the initial hearing on the  
10 public utility's application. The utility shall reimburse the  
11 Commission for the cost of the postage and supplies incurred  
12 for mailing the notice.

13 (Source: P.A. 102-609, eff. 8-27-21; 102-662, eff. 9-15-21;  
14 102-813, eff. 5-13-22; 102-931, eff. 5-27-22; 103-569, eff.  
15 6-1-24; 103-1066, eff. 2-20-25.)

16 (220 ILCS 5/8-512)

17 Sec. 8-512. Renewable energy access plan.

18 (a) It is the policy of this State to promote  
19 cost-effective transmission system development that ensures  
20 reliability of the electric transmission system, lowers carbon  
21 emissions, minimizes long-term costs for consumers, and  
22 supports the electric policy goals of this State. The General  
23 Assembly finds that:

24 (1) Transmission planning, primarily for reliability  
25 purposes, but also for economic and public policy reasons

1 is conducted by regional transmission organizations in  
2 which transmission-owning Illinois utilities and other  
3 stakeholders are members.

4 (2) Order No. 1000 of the Federal Energy Regulatory  
5 Commission requires regional transmission organizations to  
6 plan for transmission system needs in light of State  
7 public policies and to accept input from states during the  
8 transmission system planning processes.

9 (3) The State of Illinois does not currently have a  
10 comprehensive power and environmental policy planning  
11 process to identify transmission infrastructure needs that  
12 can serve as a vital input into the regional and  
13 interregional transmission organization planning  
14 processes conducted under Order No. 1000 and other laws  
15 and regulations.

16 (4) This State is an electricity generation and power  
17 transmission hub, and can leverage that position to invest  
18 in infrastructure that enables new and existing Illinois  
19 generators to meet the public policy goals of the State of  
20 Illinois and of interconnected states while  
21 cost-effectively supporting tens of thousands of jobs in  
22 the renewable energy sector in this State.

23 (5) The nation has a need to readily access this  
24 State's low-cost, clean electric power, and this State  
25 also desires access to clean energy resources in other  
26 states to develop and support its low-carbon economy and

1 keep electricity prices low in Illinois and interconnected  
2 States.

3 (6) Existing transmission infrastructure may constrain  
4 the State's achievement of 100% renewable energy by 2050,  
5 the accelerated adoption of electric vehicles in a just  
6 and equitable way, and electrification of additional  
7 sectors of the Illinois economy.

8 (7) Transmission system congestion within this State  
9 and the regional transmission organizations serving this  
10 State limits the ability of this State's existing and new  
11 electric generation facilities that do not emit carbon  
12 dioxide, including renewable energy resources and zero  
13 emission facilities, to serve the public policy goals of  
14 this State and other states, which constrains investment  
15 in this State.

16 (8) Investment in infrastructure to support existing  
17 and new electric generation facilities that do not emit  
18 carbon dioxide, including renewable energy resources and  
19 zero emission facilities, stimulates significant economic  
20 development and job growth in this State, as well as  
21 creates environmental and public health benefits in this  
22 State.

23 (9) Creating a forward-looking plan for this State's  
24 electric transmission infrastructure, as opposed to  
25 relying on case-by-case development and repeated marginal  
26 upgrades, will achieve a lower-cost system for Illinois'

1 electricity customers. A forward-looking plan can also  
2 help integrate and achieve a comprehensive set of  
3 objectives and multiple state, regional, and national  
4 policy goals.

5 (10) Alternatives to overhead electric transmission  
6 lines can achieve cost-effective resolution of system  
7 impacts and warrant investigation of the circumstances  
8 under which those alternatives should be considered and  
9 approved. The alternatives are likely to be beneficial as  
10 investment in electric transmission infrastructure moves  
11 forward.

12 (11) Because transmission planning is conducted  
13 primarily by the regional transmission organizations, the  
14 Commission should be advocating for the State's interests  
15 at the regional transmission organizations to ensure that  
16 such planning facilitates the State's policies and goals,  
17 including overall consumer savings, power system  
18 reliability, economic development, environmental  
19 improvement, and carbon reduction.

20 (12) Advanced transmission technologies have an  
21 important role to play in meeting the State's clean energy  
22 goals. For the purposes of this Section, "advanced  
23 transmission technology" is hardware or software that  
24 provides cost-effective increases to the capacity,  
25 efficiency, or reliability of existing transmission  
26 infrastructure, and includes, but is not limited to: (i)

1        technology that dynamically adjusts the rated capacity of  
2        transmission lines based on real-time conditions; (ii)  
3        advanced power flow controls used to actively control the  
4        flow of electricity across transmission lines to optimize  
5        usage or relieve congestion; (iii) software or hardware  
6        used to identify optimal transmission grid configurations  
7        or enable routing power flows around congestion points;  
8        and (iv) advanced transmission line conductors that have a  
9        direct current electrical resistance at least 10% lower  
10       than existing conductors of a similar diameter on the  
11       transmission system.

12       (b) Consistent with the findings identified in subsection  
13       (a), the Commission shall open an investigation to develop and  
14       adopt an initial a renewable energy access plan no later than  
15       December 31, 2022. To assist and support the Commission in the  
16       development of the plan, the Commission shall retain the  
17       services of technical and policy experts with relevant fields  
18       of expertise, solicit technical and policy analysis from the  
19       public, and provide for a 120-day open public comment period  
20       after publication of a draft report, which shall be published  
21       no later than 90 days after the comment period ends. The plan  
22       shall, at a minimum, do the following:

23                (1) designate renewable energy access plan zones  
24                throughout this State in areas in which renewable energy  
25                resources and suitable land areas are sufficient for  
26                developing generating capacity from renewable energy



1 technologies;

2 (2) develop a plan to achieve transmission capacity  
3 necessary to deliver the electric output from renewable  
4 energy technologies in the renewable energy access plan  
5 zones to customers in Illinois and other states in a  
6 manner that is most beneficial and cost-effective to  
7 customers;

8 (3) use this State's position as an electricity  
9 generation and power transmission hub to create new  
10 investment in this State's renewable energy resources;

11 (4) consider programs, policies, and electric  
12 transmission projects that can be adopted within this  
13 State that promote the cost-effective delivery of power  
14 from renewable energy resources interconnected to the bulk  
15 electric system to meet the renewable portfolio standard  
16 targets under subsection (c) of Section 1-75 of the  
17 Illinois Power Agency Act;

18 (5) consider proposals to improve regional  
19 transmission organizations' regional and interregional  
20 system planning processes, especially proposals that  
21 reduce costs and emissions, create jobs, and increase  
22 State and regional power system reliability to prevent  
23 high-cost outages that can endanger lives, and analyze of  
24 how those proposals would improve reliability and  
25 cost-effective delivery of electricity in Illinois and the  
26 region;

1 (6) make findings and policy recommendations based on  
2 technical and policy analysis regarding locations of  
3 renewable energy access plan zones and the transmission  
4 system developments needed to cost-effectively achieve the  
5 public policy goals identified herein;

6 (6.5) make findings and policy recommendations based  
7 on analysis regarding the impact of converting non-powered  
8 dams to hydropower dams relative to the alternative  
9 renewable energy resources; and

10 (7) present the Commission's conclusions and proposed  
11 recommendations based on its analysis and use the findings  
12 and policy recommendations to determine actions that the  
13 Commission should take.

14 (c) No later than December 31, 2025 or 180 days after the  
15 effective date of this amendatory Act of the 104th General  
16 Assembly, whichever is later, and every other year thereafter,  
17 the Commission shall open an investigation to develop and  
18 adopt a an updated renewable energy access plan update that  
19 considers electric transmission projects, transmission  
20 policies, transmission alternatives, advanced transmission  
21 technologies, other ways to expand capacity on existing or  
22 future transmission, and transmission headroom and, at a  
23 minimum, evaluates the implementation and effectiveness of  
24 the renewable energy access plan, recommends improvements to  
25 the renewable energy access plan, and provides changes to  
26 transmission capacity necessary to deliver electric output

1 ~~from the renewable energy access plan zones.~~

2 (1) evaluates the implementation and effectiveness of  
3 the renewable energy access plan;

4 (2) recommends improvements to the renewable energy  
5 access plan;

6 (3) includes updated inputs and assumptions developed  
7 under the integrated resource plan developed and approved  
8 pursuant to Section 16-201 and Section 16-202;

9 (4) requests utilities and other parties to  
10 specifically identify all elements of the existing  
11 transmission system where advanced transmission  
12 technologies are likely to achieve enhanced system  
13 resilience or reliability, reduce potential siting  
14 conflicts or land impacts from the development of new  
15 transmission lines, promote the cost-effective delivery of  
16 power from renewable energy resources interconnected to  
17 the bulk electric system, enable the interconnection of  
18 renewable energy resources, or reduce curtailment of  
19 renewable energy resources. The plan must identify all  
20 elements of the existing transmission system which have  
21 experienced capacity constraints or congestion within the  
22 prior 2 years and explain whether any advanced  
23 transmission technology could reduce or resolve the  
24 capacity constraint or congestion;

25 (5) includes an evaluation of identified and proposed  
26 transmission projects, including proposed advanced

1 transmission technology projects, based on independent  
2 analysis of costs and benefits, including customer bill  
3 impacts over the life of the project and achievement of  
4 State clean energy goals. Projects shall be evaluated in  
5 coordination with other proposals, and may include a  
6 combined evaluation of portfolios of projects;

7 (6) develops a recommended list of transmission  
8 projects and advanced transmission technology projects  
9 that achieve the clean energy public policy objectives of  
10 the State. Nothing in this Section shall limit the  
11 recommended list of transmission projects to those  
12 initially proposed. However, no transmission or advanced  
13 transmission technology project can be included in the  
14 recommended list unless evaluated; and

15 (7) considers additional mechanisms designed to  
16 capture the potential value of geographically diverse  
17 resources that proposed interregional transmission  
18 projects may provide.

19 The Commission may evaluate options for implementation of  
20 the recommended list of transmission projects and advanced  
21 transmission technology projects that achieve the clean energy  
22 public policy objectives of the State, including through the  
23 use of a state agreement approach or a similar structure made  
24 available through the relevant regional transmission  
25 organizations, and approves final recommendations on  
26 implementation.

1       The Commission may invite parties to identify transmission  
2 projects, including any associated network upgrades, necessary  
3 to facilitate achievement of the goals of the plan and the most  
4 recently approved integrated resource plan. Proposals for  
5 projects shall include a description of each project; a  
6 proposed target date for completion; an estimated timeline for  
7 development; the energy, capacity, and generation profile of  
8 renewable generation and energy storage enabled by the  
9 project; anticipated new loads served by the project; the  
10 proposed technology used, including the use of any advanced  
11 transmission technologies; and the status of any permits or  
12 approvals necessary. For projects with a target completion  
13 date of within 5 years from the date of proposal, the proposal  
14 must also include an estimated cost of the project and the  
15 proposed routing corridor. The Commission shall aim to  
16 complete the updated plan investigation within 12 months of  
17 opening.

18       (d) Each transmission-owning State utility serving more  
19 than 200,000 customers in this State may prepare a plan for  
20 integrating advanced transmission technologies into the  
21 utility's existing transmission system. The plan must identify  
22 all elements of the existing transmission system where  
23 advanced transmission technologies are likely to achieve any  
24 of the following purposes:

25           (1) enhance system resilience or reliability;

26           (2) reduce potential siting conflicts or land impacts

1 from the development of new transmission lines;

2 (3) promote the cost-effective delivery of power from  
3 renewable energy resources interconnected to the bulk  
4 electric system to meet the renewable portfolio standard  
5 targets under subsection (c) of Section 1-75 of the  
6 Illinois Power Agency Act;

7 (4) enable the interconnection of renewable energy  
8 resources to meet the renewable portfolio standard targets  
9 under subsection (c) of Section 1-75 of the Illinois Power  
10 Agency Act; or

11 (5) reduce curtailment of renewable or zero-carbon  
12 resources.

13 The plan must identify all elements of the existing  
14 transmission system which have experienced capacity  
15 constraints or congestion within the prior 2 years and explain  
16 whether any advanced transmission technology could reduce or  
17 resolve the capacity constraint or congestion. Each  
18 transmission-owning State utility may submit an advanced  
19 transmission technology integration plan to the Commission for  
20 consideration as part of the Commission's updated renewable  
21 energy access plan investigation under subsection (c). In the  
22 Commission's updated renewable energy access plan, the  
23 Commission may evaluate, request modifications for, change the  
24 timelines of implementation for, and determine the next steps  
25 for each advanced transmission integration plan.

26 (e) Each transmission-owning State utility serving more

1 than 200,000 customers in this State may conduct a  
2 comprehensive Transmission Headroom Study that shall identify,  
3 at a minimum, the points of interconnection with unused,  
4 existing transmission headroom on the State system, including  
5 available capacity behind existing, underutilized points of  
6 interconnection, and the amount of available headroom in  
7 megawatts at each identified point of interconnection. Each  
8 transmission-owning State utility may submit a Transmission  
9 Headroom Study to the Commission for consideration as part of  
10 the Commission's updated renewable energy access plan  
11 investigation under subsection (c).

12 (f) The Commission shall approve an updated renewable  
13 energy access plan if it finds that, at a minimum, the evidence  
14 in the investigation meets the criteria outlined in subsection  
15 (c) and demonstrates that the updated plan will support the  
16 clean energy public policy objectives of the State.

17 (g) The Commission shall notify the applicable regional  
18 transmission organizations and utilities of any final  
19 recommendations to support the clean energy public policy  
20 objectives of the State.

21 (h) Nothing in this Section alters the rights of  
22 transmission utilities (i) under rates on file with the  
23 Federal Energy Regulatory Commission or the Illinois Commerce  
24 Commission, (ii) under orders and determinations of the  
25 Federal Energy Regulatory Commission or a regional  
26 transmission organization, or (iii) under applicable State

1 laws and policies.

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

3 (220 ILCS 5/8-513 new)

4 Sec. 8-513. Thermal Energy Network Pilot Program.

5 (a) The Commission shall coordinate with the Illinois  
6 Finance Authority, in its role as Climate Bank for the State,  
7 to leverage any available federal funding to support thermal  
8 energy network pilot projects through the provision of grants  
9 or to provide or leverage financing. If that federal funding  
10 is not available or not sufficient to meet program objectives,  
11 the Commission shall authorize the allocation of up to  
12 \$20,000,000 to support the thermal energy network pilot  
13 projects, to be provided to the Illinois Finance Authority to  
14 distribute to projects as a grant or to provide or leverage  
15 financing. The Illinois Finance Authority shall submit  
16 projects that have already been approved by the Illinois  
17 Finance Authority to the Commission for review and approval in  
18 a form and manner determined by the Commission. The Commission  
19 shall approve projects that it deems to be just, reasonable,  
20 and in the public interest. Any allocation of funding shall  
21 provide for the Illinois Finance Authority to use a portion of  
22 such allocated funds to support its reasonable administrative  
23 costs in administering the program under this Section.

24 (b) An electric utility shall be entitled to recover,  
25 through tariffed charges approved by the Commission, all of



1 the costs associated with projects authorized for funding by  
2 the Commission pursuant to this Section and shall be recovered  
3 as part of the utility's costs incurred under Section 45 of the  
4 Electric Vehicle Act. If any authorized funds have not been  
5 recovered by the utility as of January 1, 2029, the  
6 Environmental Protection Agency shall allocate the remaining  
7 funds to the Illinois Finance Authority as part of its  
8 beneficial electrification programs described in Section 45 of  
9 the Electric Vehicle Act.

10 (c) As part of any pilot project proposed pursuant to this  
11 Section, the Commission is authorized to approve any specific  
12 customer rebates and incentives and any project-specific  
13 tariffs and rules. The Commission may create a standard  
14 proposed rate structure or minimum requirements for a rate  
15 structure to be required of all thermal energy network pilot  
16 projects. The Commission may approve the proposed rate  
17 structure of a thermal energy network pilot project if the  
18 projected heating and cooling costs for end users is not  
19 greater than the projected heating and cooling costs the end  
20 users would have incurred if the end users had not  
21 participated in the program. In its approval process, the  
22 Commission shall take into account scenarios where pilot  
23 projects enhance comfort and safety for customers through  
24 expanded access to affordable heating and cooling.

25 (d) Approved thermal energy network pilot projects shall  
26 report to the Commission, on a quarterly basis and until

1 completion of the thermal energy network pilot project, the  
2 status of each thermal energy network pilot project. The  
3 Commission shall post and make publicly available the reports  
4 on its website. The reports shall include, but not be limited  
5 to:

6 (1) the stage of development of each pilot project;

7 (2) the barriers to development;

8 (3) the number of customers served;

9 (4) the costs of the pilot project;

10 (5) the number of jobs retained or created by the  
11 pilot project;

12 (6) energy savings and fuel savings from the project  
13 and energy consumption by the project; and

14 (7) other information the Commission deems to be in  
15 the public interest or considers likely to prove useful or  
16 relevant to the rulemaking described in subsection (i).

17 (e) Any entity operating a Commission-approved thermal  
18 energy network pilot project shall demonstrate that it has  
19 entered into a labor peace agreement with a bona fide labor  
20 organization that is actively engaged in representing its  
21 employees. The labor peace agreement shall apply to the  
22 employees necessary for the ongoing maintenance and operation  
23 of the thermal energy network. The existence of a labor peace  
24 agreement shall be an ongoing material condition of an  
25 entity's authorization to maintain and operate the thermal  
26 energy networks.

1       (f) Any contractor or subcontractor that performs work on  
2 a thermal energy network pilot project under this Section  
3 shall be a responsible bidder, as described in Section 30-22  
4 of the Illinois Procurement Code, and shall certify that not  
5 less than prevailing wage, as determined under the Prevailing  
6 Wage Act, was or will be paid to the employees who are engaged  
7 in construction activities associated with the pilot thermal  
8 energy network system. The contractor or subcontractor shall  
9 submit evidence to the Commission that it complied with the  
10 requirements of this subsection (f). For any approved thermal  
11 energy network pilot project, the contractor or subcontractor  
12 shall submit evidence that the contractor or subcontractor has  
13 entered into a fully executed project labor agreement for the  
14 thermal energy network system prior to the initiation of  
15 construction activities.

16           (220 ILCS 5/9-229)

17           Sec. 9-229. Consideration of attorney and expert  
18 compensation as an expense and intervenor compensation fund.

19           (a) The Commission shall specifically assess the justness  
20 and reasonableness of any amount expended by a public utility  
21 to compensate attorneys or technical experts to prepare and  
22 litigate a general rate case filing. This issue shall be  
23 expressly addressed in the Commission's final order.

24           (b) The State of Illinois shall create a Consumer  
25 Intervenor Compensation Fund subject to the following:

1           (1) Provision of compensation for consumer interest  
2 representatives ~~Consumer Interest Representatives~~ that  
3 intervene in Illinois Commerce Commission proceedings will  
4 increase public engagement, encourage additional  
5 transparency, expand the information available to the  
6 Commission, and improve decision-making.

7           (2) As used in this Section, "consumer ~~Consumer~~  
8 interest representative" means:

9           (A) a residential utility customer or group of  
10 residential utility customers represented by a  
11 not-for-profit group or organization registered with  
12 the Illinois Attorney General under the Solicitation  
13 for Charity Act;

14           (B) representatives of not-for-profit groups or  
15 organizations whose membership is limited to  
16 residential utility customers; or

17           (C) representatives of not-for-profit groups or  
18 organizations whose membership includes Illinois  
19 residents and that address the community, economic,  
20 environmental, or social welfare of Illinois  
21 residents, except government agencies ~~or intervenors~~  
22 specifically authorized by Illinois law to participate  
23 in Commission proceedings on behalf of Illinois  
24 consumers.

25           (3) A consumer interest representative is eligible to  
26 receive compensation from the Consumer Intervenor

1        Compensation Fund ~~consumer intervenor compensation fund~~ if  
2        its participation included lay or expert testimony or  
3        legal briefing and argument concerning the expenses,  
4        investments, rate design, rate impact, development of an  
5        integrated resource plan pursuant to Section 16-201 and  
6        any related proceedings, or other matters affecting the  
7        pricing, rates, costs or other charges associated with  
8        utility service and, the Commission does not find the  
9        participation to be immaterial ~~adopts a material~~  
10       ~~recommendation related to a significant issue in the~~  
11       ~~docket, and participation caused a significant financial~~  
12       ~~hardship to the participant;~~ however, no consumer interest  
13       representative shall be eligible to receive an award  
14       pursuant to this Section if the consumer interest  
15       representative receives any compensation, funding, or  
16       donations, directly or indirectly, from parties that have  
17       a financial interest in the outcome of the proceeding.  
18       Funding from residential ratepayers shall not be  
19       considered funding from a party with a financial interest  
20       unless determined to be by the Commission. The Commission  
21       shall determine participation by the consumer interest  
22       representative to be material if recommendations made by  
23       the consumer interest representative are:

24                (A) relevant to issues in the proceeding on which  
25        the Commission makes a finding;

26                (B) supported by facts, such as studies, methods,

1           or calculations, or by legal or policy analysis; and  
2           (C) offered by the consumer interest  
3           representative into evidence in the record of that  
4           proceeding, or for legal or policy analysis, are filed  
5           in the docket of that proceeding, through briefing,  
6           motion, or other method.

7           (4) Within 30 days after September 15, 2021 (the  
8           effective date of Public Act 102-662), each utility that  
9           files a request for an increase in rates under Article IX  
10          or Article XVI shall deposit an amount equal to one half of  
11          the rate case attorney and expert expense allowed by the  
12          Commission, but not to exceed \$500,000, into the fund  
13          within 35 days of the date of the Commission's final Order  
14          in the rate case or 20 days after the denial of rehearing  
15          under Section 10-113 of this Act, whichever is later. The  
16          Consumer Intervenor Compensation Fund shall be used to  
17          provide payment to consumer interest representatives as  
18          described in this Section.

19          (5) An electric public utility with 3,000,000 or more  
20          retail customers shall contribute \$450,000 to the Consumer  
21          Intervenor Compensation Fund within 60 days after  
22          September 15, 2021 (the effective date of Public Act  
23          102-662). A combined electric and gas public utility  
24          serving fewer than 3,000,000 but more than 500,000 retail  
25          customers shall contribute \$225,000 to the Consumer  
26          Intervenor Compensation Fund within 60 days after

1 September 15, 2021 (the effective date of Public Act  
2 102-662). A gas public utility with 1,500,000 or more  
3 retail customers that is not a combined electric and gas  
4 public utility shall contribute \$225,000 to the Consumer  
5 Intervenor Compensation Fund within 60 days after  
6 September 15, 2021 (the effective date of Public Act  
7 102-662). A gas public utility with fewer than 1,500,000  
8 retail customers but more than 300,000 retail customers  
9 that is not a combined electric and gas public utility  
10 shall contribute \$80,000 to the Consumer Intervenor  
11 Compensation Fund within 60 days after September 15, 2021  
12 (the effective date of Public Act 102-662). A gas public  
13 utility with fewer than 300,000 retail customers that is  
14 not a combined electric and gas public utility shall  
15 contribute \$20,000 to the Consumer Intervenor Compensation  
16 Fund within 60 days after September 15, 2021 (the  
17 effective date of Public Act 102-662). A combined electric  
18 and gas public utility serving fewer than 500,000 retail  
19 customers shall contribute \$20,000 to the Consumer  
20 Intervenor Compensation Fund within 60 days after  
21 September 15, 2021 (the effective date of Public Act  
22 102-662). A water or sewer public utility serving more  
23 than 100,000 retail customers shall contribute \$80,000,  
24 and a water or sewer public utility serving fewer than  
25 100,000 but more than 10,000 retail customers shall  
26 contribute \$20,000.

1           (6) (A) Prior to the entry of a final order ~~Final Order~~  
2 in a docketed case, the Commission Administrator shall  
3 provide a payment to a consumer interest representative  
4 that demonstrates through a verified application for  
5 funding that the consumer interest representative's  
6 participation or intervention without an award of fees or  
7 costs imposes a significant financial cost for the  
8 consumer interest representative hardship based on a  
9 schedule to be developed by the Commission. The  
10 Administrator may require verification of costs expected  
11 to be incurred, including statements of expected hours  
12 spent, as a condition to paying the consumer interest  
13 representative prior to the entry of a final order ~~Final~~  
14 ~~Order~~ in a docketed case. The upfront payment prior to the  
15 entry of a final order in the relevant docketed case shall  
16 be subject to the reconciliation process described in  
17 subparagraph (C) of this paragraph. For purposes of  
18 upfront payments provided for under this subparagraph, and  
19 provided the testimony or legal argument was offered into  
20 evidence or filed in the docket, a decision by the  
21 Commission prior to entry of a final order that a consumer  
22 interest representative's evidence or legal argument is  
23 relevant to issues in the proceeding under subparagraph  
24 (A) of paragraph (3) shall not be subject to  
25 reconsideration. Any compensation awarded shall be subject  
26 to review and reconciliation under subparagraph (C) of



1       this paragraph. Payments made after the issuance of a  
2       final order in the relevant docketed case do not require  
3       the reconciliation.

4           (B) If the Commission does not find the participation  
5       to be immaterial ~~adopts a material recommendation related~~  
6       ~~to a significant issue in the docket and participation~~  
7       ~~caused a financial hardship to the participant,~~ then the  
8       consumer interest representative shall be allowed payment  
9       for some or all of the consumer interest representative's  
10      reasonable attorney's or advocate's fees, reasonable  
11      expert witness fees, and other reasonable costs of  
12      preparation for and participation in a hearing or  
13      proceeding. Expenses related to travel or meals shall not  
14      be compensable. Expenses incurred by participation in  
15      workshops or other informal processes outside a docketed  
16      proceeding shall not be compensable. Attorneys and expert  
17      witnesses who represent or testify for more than one party  
18      in the same docketed proceeding and perform essentially  
19      the same work on behalf of the parties shall not be  
20      compensated more than once for those same services  
21      rendered in that proceeding.

22           (C) The consumer interest representative shall submit  
23      an itemized request for compensation to the Consumer  
24      Intervenor Compensation Fund, including the advocate's or  
25      attorney's reasonable fee rate, the number of hours  
26      expended, reasonable expert and expert witness fees, and

1 other reasonable costs for the preparation for and  
2 participation in the hearing and briefing within 30 days  
3 after ~~of~~ the Commission's final order or the Commission's  
4 ~~after~~ denial or decision on rehearing, if any, whichever  
5 is later. If compensation is provided prior to the entry  
6 of a final order in a docketed case, such compensation  
7 shall be adjusted following the final order to reconcile  
8 the difference between actual eligible expenses incurred  
9 and the amount of compensation provided prior to the entry  
10 of the final order. The reconciliation adjustment shall  
11 ensure that the total compensation awarded to the  
12 applicant is no more and no less than the actual eligible  
13 expenses incurred. Payments made after the issuance of a  
14 final order in the relevant docketed case do not require  
15 the reconciliation.

16 (7) Administration of the Fund.

17 (A) The Consumer Intervenor Compensation Fund is  
18 created as a special fund in the State treasury. All  
19 disbursements from the Consumer Intervenor Compensation  
20 Fund shall be made only upon warrants of the Comptroller  
21 drawn upon the Treasurer as custodian of the Fund upon  
22 vouchers signed by the Executive Director of the  
23 Commission or by the person or persons designated by the  
24 Director for that purpose. The Comptroller is authorized  
25 to draw the warrant upon vouchers so signed. The Treasurer  
26 shall accept all warrants so signed and shall be released

1 from liability for all payments made on those warrants.  
2 The Consumer Intervenor Compensation Fund shall be  
3 administered by an Administrator that is a person or  
4 entity that is independent of the Commission. The  
5 administrator will be responsible for the prudent  
6 management of the Consumer Intervenor Compensation Fund  
7 and for recommendations for the award of consumer  
8 intervenor compensation from the Consumer Intervenor  
9 Compensation Fund. The Commission shall issue a request  
10 for qualifications for a third-party program administrator  
11 to administer the Consumer Intervenor Compensation Fund.  
12 The third-party administrator shall be chosen through a  
13 competitive bid process based on selection criteria and  
14 requirements developed by the Commission. The Illinois  
15 Procurement Code does not apply to the hiring or payment  
16 of the Administrator. All Administrator costs may be paid  
17 for using monies from the Consumer Intervenor Compensation  
18 Fund, but the Program Administrator shall strive to  
19 minimize costs in the implementation of the program.

20 (B) The computation of compensation awarded from the  
21 fund shall take into consideration the market rates paid  
22 to persons of comparable training and experience who offer  
23 similar services, but may not exceed the comparable market  
24 rate for services paid by the public utility as part of its  
25 rate case expense.

26 (C) (1) Recommendations on the award of compensation by

1 the administrator shall include consideration of whether  
2 the participation was material ~~Commission adopted a~~  
3 ~~material recommendation related to a significant issue in~~  
4 ~~the docket and whether participation caused a financial~~  
5 ~~hardship to the participant and the payment of~~  
6 ~~compensation is fair, just and reasonable.~~

7 (2) Recommendations on the award of compensation by  
8 the administrator shall be submitted to the Commission for  
9 approval within 30 days after when the application for  
10 funding is submitted to the administrator. Unless the  
11 Commission initiates an investigation within 60 ~~45~~ days  
12 after an application for funding is submitted to the  
13 administrator, the Commission shall within 90 days after  
14 the application is submitted to the administrator, or as  
15 soon as practicable thereafter, award funding to the  
16 applicant. Notice of the administrator's award  
17 recommendation ~~the notice to the Commission, the award of~~  
18 ~~compensation shall be allowed 45 days after notice to the~~  
19 ~~Commission. Such notice shall be given by filing with the~~  
20 Commission on the Commission's e-docket system, and  
21 keeping open for public inspection the award for  
22 compensation proposed by the Administrator. The Commission  
23 shall have power, and it is hereby given authority, either  
24 upon complaint or upon its own initiative without  
25 complaint, at once, and if it so orders, without answer or  
26 other formal pleadings, but upon reasonable notice, to

1 enter upon a hearing concerning the propriety of the  
2 award.

3 (3) A consumer interest representative who performed  
4 work or otherwise incurred expenses in an eligible  
5 proceeding before the Commission prior to the effective  
6 date of this amendatory Act of the 104th General Assembly  
7 and after September 15, 2021 (the effective date of Public  
8 Act 102-662) and who, due to a denied application or  
9 otherwise, was not awarded compensation for the entirety  
10 of the incurred expenses from the Consumer Intervenor  
11 Compensation Fund may seek compensation from the Consumer  
12 Intervenor Compensation Fund pursuant to this Section.  
13 Nothing in this Section shall prohibit retroactive awards  
14 to eligible participants for work performed or expenses  
15 incurred in eligible proceedings prior to the effective  
16 date of this amendatory Act of the 104th General Assembly  
17 and after September 15, 2021 (the effective date of Public  
18 Act 102-662). The retroactive awards shall not include  
19 additional costs directly or indirectly incurred due to  
20 the prior denial of an application for an eligible  
21 proceeding. Applications for a retroactive award shall be  
22 subject to the revised eligibility standards enacted  
23 pursuant to this amendatory Act of the 104th General  
24 Assembly. The applications may be submitted at any time  
25 within one calendar year after the effective date of this  
26 amendatory Act of the 104th General Assembly.

1 (c) The Commission may adopt rules to implement this  
2 Section.

3 (Source: P.A. 102-662, eff. 9-15-21; 103-605, eff. 7-1-24.)

4 (220 ILCS 5/16-107.5)

5 Sec. 16-107.5. Net electricity metering.

6 (a) The General Assembly finds and declares that a program  
7 to provide net electricity metering, as defined in this  
8 Section, for eligible customers can encourage private  
9 investment in renewable energy resources, stimulate economic  
10 growth, enhance the continued diversification of Illinois'  
11 energy resource mix, and protect the Illinois environment.  
12 Further, to achieve the goals of this Act that robust options  
13 for customer-site distributed generation and storage continue  
14 to thrive in Illinois, the General Assembly finds that a  
15 predictable transition must be ensured for customers between  
16 full net metering at the retail electricity rate to the  
17 distribution generation rebate described in Section 16-107.6.

18 (b) As used in this Section:7

19 (i) "Community ~~community~~ renewable generation project"  
20 shall have the meaning set forth in Section 1-10 of the  
21 Illinois Power Agency Act.7

22 (ii) "Eligible ~~eligible~~ customer" means a retail  
23 customer that owns, hosts, or operates, including any  
24 third-party owned systems, a solar, wind, or other  
25 eligible renewable electrical generating facility or an

1        eligible storage device that is located on the customer's  
2 premises or customer's side of the billing meter and is  
3 intended primarily to offset the customer's own current or  
4 future electrical requirements.†

5        (iii) "Electricity ~~electricity~~ provider" means an  
6 electric utility or alternative retail electric supplier.†

7        (iv) "Eligible ~~eligible~~ renewable electrical  
8 generating facility" means a generator, which may include  
9 the colocation ~~co-location~~ of an energy storage system,  
10 that is interconnected under rules adopted by the  
11 Commission and is powered by solar electric energy, wind,  
12 dedicated crops grown for electricity generation,  
13 agricultural residues, untreated and unadulterated wood  
14 waste, livestock manure, anaerobic digestion of livestock  
15 or food processing waste, fuel cells or microturbines  
16 powered by renewable fuels, or hydroelectric energy.†

17        (v) "Net ~~net~~ electricity metering" (or "net metering")  
18 means the measurement, during the billing period  
19 applicable to an eligible customer, of the net amount of  
20 electricity supplied by an electricity provider to the  
21 customer or provided to the electricity provider by the  
22 customer or subscriber.†

23        (vi) "Subscriber ~~subscriber~~" shall have the meaning as  
24 set forth in Section 1-10 of the Illinois Power Agency  
25 Act.†

26        (vii) "Subscription ~~subscription~~" shall have the

1 meaning set forth in Section 1-10 of the Illinois Power  
2 Agency Act.†

3 (viii) "Energy ~~energy~~ storage system" means  
4 commercially available technology that is capable of  
5 absorbing energy and storing it for a period of time for  
6 use at a later time, including, but not limited to,  
7 electrochemical, thermal, and electromechanical  
8 technologies, and may be interconnected behind the  
9 customer's meter or interconnected behind its own meter.†

10 ~~and~~

11 (ix) "Future ~~future~~ electrical requirements" means  
12 modeled electrical requirements upon occupation of a new  
13 or vacant property, and other reasonable expectations of  
14 future electrical use, as well as, for occupied  
15 properties, a reasonable approximation of the annual load  
16 of 2 electric vehicles and, for non-electric heating  
17 customers, a reasonable approximation of the incremental  
18 electric load associated with fuel switching. The  
19 approximations shall be applied to the appropriate net  
20 metering tariff and do not need to be unique to each  
21 individual eligible customer. The utility shall submit  
22 these approximations to the Commission for review,  
23 modification, and approval.

24 (x) "Vehicle storage system" means a vehicle that when  
25 connected to an electric utility's distribution system is  
26 capable of being an energy storage system, as defined in



1           Section 16-107.6.

2           (c) A net metering facility shall be equipped with  
3 metering equipment that can measure the flow of electricity in  
4 both directions at the same rate.

5           (1) For eligible customers whose electric service has  
6 not been declared competitive pursuant to Section 16-113  
7 of this Act as of July 1, 2011 and whose electric delivery  
8 service is provided and measured on a kilowatt-hour basis  
9 and electric supply service is not provided based on  
10 hourly pricing, this shall typically be accomplished  
11 through use of a single, bi-directional meter. If the  
12 eligible customer's existing electric revenue meter does  
13 not meet this requirement, the electricity provider shall  
14 arrange for the local electric utility or a meter service  
15 provider to install and maintain a new revenue meter at  
16 the electricity provider's expense, which may be the smart  
17 meter described by subsection (b) of Section 16-108.5 of  
18 this Act.

19           (2) For eligible customers whose electric service has  
20 not been declared competitive pursuant to Section 16-113  
21 of this Act as of July 1, 2011 and whose electric delivery  
22 service is provided and measured on a kilowatt demand  
23 basis and electric supply service is not provided based on  
24 hourly pricing, this shall typically be accomplished  
25 through use of a dual channel meter capable of measuring  
26 the flow of electricity both into and out of the

1 customer's facility at the same rate and ratio. If such  
2 customer's existing electric revenue meter does not meet  
3 this requirement, then the electricity provider shall  
4 arrange for the local electric utility or a meter service  
5 provider to install and maintain a new revenue meter at  
6 the electricity provider's expense, which may be the smart  
7 meter described by subsection (b) of Section 16-108.5 of  
8 this Act.

9 (3) For all other eligible customers, until such time  
10 as the local electric utility installs a smart meter, as  
11 described by subsection (b) of Section 16-108.5 of this  
12 Act, the electricity provider may arrange for the local  
13 electric utility or a meter service provider to install  
14 and maintain metering equipment capable of measuring the  
15 flow of electricity both into and out of the customer's  
16 facility at the same rate and ratio, typically through the  
17 use of a dual channel meter. If the eligible customer's  
18 existing electric revenue meter does not meet this  
19 requirement, then the costs of installing such equipment  
20 shall be paid for by the customer.

21 (d) An electricity provider shall measure and charge or  
22 credit for the net electricity supplied to eligible customers  
23 or provided by eligible customers whose electric service has  
24 not been declared competitive pursuant to Section 16-113 of  
25 this Act as of July 1, 2011 and whose electric delivery service  
26 is provided and measured on a kilowatt-hour basis and electric

1 supply service is not provided based on hourly pricing in the  
2 following manner:

3 (1) If the amount of electricity used by the customer  
4 during the billing period exceeds the amount of  
5 electricity produced by the customer, the electricity  
6 provider shall charge the customer for the net electricity  
7 supplied to and used by the customer as provided in  
8 subsection (e-5) of this Section.

9 (2) If the amount of electricity produced by a  
10 customer during the billing period exceeds the amount of  
11 electricity used by the customer during that billing  
12 period, the electricity provider supplying that customer  
13 shall apply a 1:1 kilowatt-hour credit to a subsequent  
14 bill for service to the customer for the net electricity  
15 supplied to the electricity provider. The electricity  
16 provider shall continue to carry over any excess  
17 kilowatt-hour credits earned and apply those credits to  
18 subsequent billing periods to offset any  
19 customer-generator consumption in those billing periods  
20 until all credits are used or until the end of the  
21 annualized period.

22 (3) At the end of the year or annualized over the  
23 period that service is supplied by means of net metering,  
24 or in the event that the retail customer terminates  
25 service with the electricity provider prior to the end of  
26 the year or the annualized period, any remaining credits

1 in the customer's account shall expire.

2 (d-5) An electricity provider shall measure and charge or  
3 credit for the net electricity supplied to eligible customers  
4 or provided by eligible customers whose electric service has  
5 not been declared competitive pursuant to Section 16-113 of  
6 this Act as of July 1, 2011 and whose electric delivery service  
7 is provided and measured on a kilowatt-hour basis and electric  
8 supply service is provided based on hourly pricing or  
9 time-of-use rates in the following manner:

10 (1) If the amount of electricity used by the customer  
11 during any hourly period or time-of-use period exceeds the  
12 amount of electricity produced by the customer, the  
13 electricity provider shall charge the customer for the net  
14 electricity supplied to and used by the customer according  
15 to the terms of the contract or tariff to which the same  
16 customer would be assigned to or be eligible for if the  
17 customer was not a net metering customer.

18 (2) If the amount of electricity produced by a  
19 customer during any hourly period or time-of-use period  
20 exceeds the amount of electricity used by the customer  
21 during that hourly period or time-of-use period, the  
22 energy provider shall apply a credit for the net  
23 kilowatt-hours produced in such period. The credit shall  
24 consist of an energy credit and a delivery service credit.  
25 The energy credit shall be valued at the same price per  
26 kilowatt-hour as the electric service provider would

1 charge for kilowatt-hour energy sales during that same  
2 hourly period or time-of-use period. The delivery credit  
3 shall be equal to the net kilowatt-hours produced in such  
4 hourly period or time-of-use period times a credit that  
5 reflects all kilowatt-hour based charges in the customer's  
6 electric service rate, excluding energy charges.

7 (e) An electricity provider shall measure and charge or  
8 credit for the net electricity supplied to eligible customers  
9 whose electric service has not been declared competitive  
10 pursuant to Section 16-113 of this Act as of July 1, 2011 and  
11 whose electric delivery service is provided and measured on a  
12 kilowatt demand basis and electric supply service is not  
13 provided based on hourly pricing in the following manner:

14 (1) If the amount of electricity used by the customer  
15 during the billing period exceeds the amount of  
16 electricity produced by the customer, then the electricity  
17 provider shall charge the customer for the net electricity  
18 supplied to and used by the customer as provided in  
19 subsection (e-5) of this Section. The customer shall  
20 remain responsible for all taxes, fees, and utility  
21 delivery charges that would otherwise be applicable to the  
22 net amount of electricity used by the customer.

23 (2) If the amount of electricity produced by a  
24 customer during the billing period exceeds the amount of  
25 electricity used by the customer during that billing  
26 period, then the electricity provider supplying that

1 customer shall apply a 1:1 kilowatt-hour credit that  
2 reflects the kilowatt-hour based charges in the customer's  
3 electric service rate to a subsequent bill for service to  
4 the customer for the net electricity supplied to the  
5 electricity provider. The electricity provider shall  
6 continue to carry over any excess kilowatt-hour credits  
7 earned and apply those credits to subsequent billing  
8 periods to offset any customer-generator consumption in  
9 those billing periods until all credits are used or until  
10 the end of the annualized period.

11 (3) At the end of the year or annualized over the  
12 period that service is supplied by means of net metering,  
13 or in the event that the retail customer terminates  
14 service with the electricity provider prior to the end of  
15 the year or the annualized period, any remaining credits  
16 in the customer's account shall expire.

17 (e-5) An electricity provider shall provide electric  
18 service to eligible customers who utilize net metering at  
19 non-discriminatory rates that are identical, with respect to  
20 rate structure, retail rate components, and any monthly  
21 charges, to the rates that the customer would be charged if not  
22 a net metering customer. An electricity provider shall not  
23 charge net metering customers any fee or charge or require  
24 additional equipment, insurance, or any other requirements not  
25 specifically authorized by interconnection standards  
26 authorized by the Commission, unless the fee, charge, or other

1 requirement would apply to other similarly situated customers  
2 who are not net metering customers. The customer will remain  
3 responsible for all taxes, fees, and utility delivery charges  
4 that would otherwise be applicable to the net amount of  
5 electricity used by the customer. Subsections (c) through (e)  
6 of this Section shall not be construed to prevent an  
7 arms-length agreement between an electricity provider and an  
8 eligible customer that sets forth different prices, terms, and  
9 conditions for the provision of net metering service,  
10 including, but not limited to, the provision of the  
11 appropriate metering equipment for non-residential customers.

12 (f) Notwithstanding the requirements of subsections (c)  
13 through (e-5) of this Section, an electricity provider must  
14 require dual-channel metering for customers operating eligible  
15 renewable electrical generating facilities to whom the  
16 provisions of neither subsection (d), (d-5), nor (e) of this  
17 Section apply. In such cases, electricity charges and credits  
18 shall be determined as follows:

19 (1) The electricity provider shall assess and the  
20 customer remains responsible for all taxes, fees, and  
21 utility delivery charges that would otherwise be  
22 applicable to the gross amount of kilowatt-hours supplied  
23 to the eligible customer by the electricity provider.

24 (2) Each month that service is supplied by means of  
25 dual-channel metering, the electricity provider shall  
26 compensate the eligible customer for any excess

1 kilowatt-hour credits at the electricity provider's  
2 avoided cost of electricity supply over the monthly period  
3 or as otherwise specified by the terms of a power-purchase  
4 agreement negotiated between the customer and electricity  
5 provider.

6 (3) For all eligible net metering customers taking  
7 service from an electricity provider under contracts or  
8 tariffs employing hourly or time-of-use rates, any monthly  
9 consumption of electricity shall be calculated according  
10 to the terms of the contract or tariff to which the same  
11 customer would be assigned to or be eligible for if the  
12 customer was not a net metering customer. When those same  
13 customer-generators are net generators during any discrete  
14 hourly or time-of-use period, the net kilowatt-hours  
15 produced shall be valued at the same price per  
16 kilowatt-hour as the electric service provider would  
17 charge for retail kilowatt-hour sales during that same  
18 time-of-use period.

19 (g) For purposes of federal and State laws providing  
20 renewable energy credits or greenhouse gas credits, the  
21 eligible customer shall be treated as owning and having title  
22 to the renewable energy attributes, renewable energy credits,  
23 and greenhouse gas emission credits related to any electricity  
24 produced by the qualified generating unit. The electricity  
25 provider may not condition participation in a net metering  
26 program on the signing over of a customer's renewable energy



1 credits; provided, however, this subsection (g) shall not be  
2 construed to prevent an arms-length agreement between an  
3 electricity provider and an eligible customer that sets forth  
4 the ownership or title of the credits.

5 (h) Within 120 days after the effective date of this  
6 amendatory Act of the 95th General Assembly, the Commission  
7 shall establish standards for net metering and, if the  
8 Commission has not already acted on its own initiative,  
9 standards for the interconnection of eligible renewable  
10 generating equipment to the utility system. The  
11 interconnection standards shall address any procedural  
12 barriers, delays, and administrative costs associated with the  
13 interconnection of customer-generation while ensuring the  
14 safety and reliability of the units and the electric utility  
15 system. The Commission shall consider the Institute of  
16 Electrical and Electronics Engineers (IEEE) Standard 1547 and  
17 the issues of (i) reasonable and fair fees and costs, (ii)  
18 clear timelines for major milestones in the interconnection  
19 process, (iii) nondiscriminatory terms of agreement, and (iv)  
20 any best practices for interconnection of distributed  
21 generation.

22 ~~(h-5) Within 90 days after the effective date of this~~  
23 ~~amendatory Act of the 102nd General Assembly, the Commission~~  
24 ~~shall:~~

25 ~~(1) establish an Interconnection Working Group. The~~  
26 ~~working group shall include representatives from electric~~

1 ~~utilities, developers of renewable electric generating~~  
2 ~~facilities, other industries that regularly apply for~~  
3 ~~interconnection with the electric utilities,~~  
4 ~~representatives of distributed generation customers, the~~  
5 ~~Commission Staff, and such other stakeholders with a~~  
6 ~~substantial interest in the topics addressed by the~~  
7 ~~Interconnection Working Group. The Interconnection Working~~  
8 ~~Group shall address at least the following issues:~~

9 ~~(A) cost and best available technology for~~  
10 ~~interconnection and metering, including the~~  
11 ~~standardization and publication of standard costs;~~

12 ~~(B) transparency, accuracy and use of the~~  
13 ~~distribution interconnection queue and hosting~~  
14 ~~capacity maps;~~

15 ~~(C) distribution system upgrade cost avoidance~~  
16 ~~through use of advanced inverter functions;~~

17 ~~(D) predictability of the queue management process~~  
18 ~~and enforcement of timelines;~~

19 ~~(E) benefits and challenges associated with group~~  
20 ~~studies and cost sharing;~~

21 ~~(F) minimum requirements for application to the~~  
22 ~~interconnection process and throughout the~~  
23 ~~interconnection process to avoid queue clogging~~  
24 ~~behavior;~~

25 ~~(G) process and customer service for~~  
26 ~~interconnecting customers adopting distributed energy~~

1 ~~resources, including energy storage;~~

2 ~~(H) options for metering distributed energy~~  
3 ~~resources, including energy storage;~~

4 ~~(I) interconnection of new technologies, including~~  
5 ~~smart inverters and energy storage;~~

6 ~~(J) collect, share, and examine data on Level 1~~  
7 ~~interconnection costs, including cost and type of~~  
8 ~~upgrades required for interconnection, and use this~~  
9 ~~data to inform the final standardized cost of Level 1~~  
10 ~~interconnection; and~~

11 ~~(K) such other technical, policy, and tariff~~  
12 ~~issues related to and affecting interconnection~~  
13 ~~performance and customer service as determined by the~~  
14 ~~Interconnection Working Group.~~

15 ~~The Commission may create subcommittees of the~~  
16 ~~Interconnection Working Group to focus on specific issues~~  
17 ~~of importance, as appropriate. The Interconnection Working~~  
18 ~~Group shall report to the Commission on recommended~~  
19 ~~improvements to interconnection rules and tariffs and~~  
20 ~~policies as determined by the Interconnection Working~~  
21 ~~Group at least every 6 months. Such reports shall include~~  
22 ~~consensus recommendations of the Interconnection Working~~  
23 ~~Group and, if applicable, additional recommendations for~~  
24 ~~which consensus was not reached. The Commission shall use~~  
25 ~~the report from the Interconnection Working Group to~~  
26 ~~determine whether processes should be commenced to~~

1 ~~formally codify or implement the recommendations;~~

2 ~~(2) create or contract for an Ombudsman to resolve~~  
3 ~~interconnection disputes through non-binding arbitration.~~

4 ~~The Ombudsman may be paid in full or in part through fees~~  
5 ~~levied on the initiators of the dispute; and~~

6 ~~(3) determine a single standardized cost for Level 1~~  
7 ~~interconnections, which shall not exceed \$200.~~

8 (i) All electricity providers shall begin to offer net  
9 metering no later than April 1, 2008.

10 (j) An electricity provider shall provide net metering to  
11 eligible customers according to subsections (d), (d-5), and  
12 (e). Eligible renewable electrical generating facilities for  
13 which eligible customers registered for net metering before  
14 January 1, 2025 shall continue to receive net metering  
15 services according to subsections (d), (d-5), and (e) of this  
16 Section for the lifetime of the system, regardless of whether  
17 those retail customers change electricity providers or whether  
18 the retail customer benefiting from the system changes. On and  
19 after January 1, 2025, any eligible customer that applies for  
20 net metering and previously would have qualified under  
21 subsections (d), (d-5), or (e) shall only be eligible for net  
22 metering as described in subsection (n).

23 (k) Each electricity provider shall maintain records and  
24 report annually to the Commission the total number of net  
25 metering customers served by the provider, as well as the  
26 type, capacity, and energy sources of the generating systems

1 used by the net metering customers. Nothing in this Section  
2 shall limit the ability of an electricity provider to request  
3 the redaction of information deemed by the Commission to be  
4 confidential business information.

5 (1)(1) Notwithstanding the definition of "eligible  
6 customer" in item (ii) of subsection (b) of this Section, each  
7 electricity provider shall allow net metering as set forth in  
8 this subsection (1) and for the following projects, provided  
9 that only electric utilities serving more than 200,000  
10 customers as of January 1, 2021 shall provide net metering for  
11 projects that are eligible for subparagraph (C) of this  
12 paragraph (1) and have energized after the effective date of  
13 this amendatory Act of the 102nd General Assembly:

14 (A) properties owned or leased by multiple customers  
15 that contribute to the operation of an eligible renewable  
16 electrical generating facility through an ownership or  
17 leasehold interest of at least 200 watts in such facility,  
18 such as a community-owned wind project, a community-owned  
19 biomass project, a community-owned solar project, or a  
20 community methane digester processing livestock waste from  
21 multiple sources, provided that the facility is also  
22 located within the utility's service territory;

23 (B) individual units, apartments, or properties  
24 located in a single building that are owned or leased by  
25 multiple customers and collectively served by a common  
26 eligible renewable electrical generating facility, such as

1 an office or apartment building, a shopping center or  
2 strip mall served by photovoltaic panels on the roof; and

3 (C) subscriptions to community renewable generation  
4 projects, including community renewable generation  
5 projects on the customer's side of the billing meter of a  
6 host facility and partially used for the customer's own  
7 load.

8 In addition, the nameplate capacity of the eligible  
9 renewable electric generating facility that serves the demand  
10 of the properties, units, or apartments identified in  
11 paragraphs (1) and (2) of this subsection (1) shall not exceed  
12 5,000 kilowatts in nameplate capacity in total. Any eligible  
13 renewable electrical generating facility or community  
14 renewable generation project that is powered by photovoltaic  
15 electric energy and installed after the effective date of this  
16 amendatory Act of the 99th General Assembly must be installed  
17 by a qualified person in compliance with the requirements of  
18 Section 16-128A of the Public Utilities Act and any rules or  
19 regulations adopted thereunder.

20 (2) Notwithstanding anything to the contrary, an  
21 electricity provider shall provide credits for the electricity  
22 produced by the projects described in paragraph (1) of this  
23 subsection (1). The electricity provider shall provide credits  
24 that include at least energy supply, capacity, transmission,  
25 and, if applicable, the purchased energy adjustment on the  
26 subscriber's monthly bill equal to the subscriber's share of

1 the production of electricity from the project, as determined  
2 by paragraph (3) of this subsection (1). For customers with  
3 transmission or capacity charges not charged on a  
4 kilowatt-hour basis, the electricity provider shall prepare a  
5 reasonable approximation of the kilowatt-hour equivalent value  
6 and provide that value as a monetary credit. The electricity  
7 provider shall submit these approximation methodologies to the  
8 Commission for review, modification, and approval.  
9 Notwithstanding anything to the contrary, customers on payment  
10 plans or participating in budget billing programs shall have  
11 credits applied on a monthly basis.

12 (3) Notwithstanding anything to the contrary and  
13 regardless of whether a subscriber to an eligible community  
14 renewable generation project receives power and energy service  
15 from the electric utility or an alternative retail electric  
16 supplier, for projects eligible under paragraph (C) of  
17 subparagraph (1) of this subsection (1), electric utilities  
18 serving more than 200,000 customers as of January 1, 2021  
19 shall provide the monetary credits to a subscriber's  
20 subsequent bill for the electricity produced by community  
21 renewable generation projects. The electric utility shall  
22 provide monetary credits to a subscriber's subsequent bill at  
23 the utility's total price to compare equal to the subscriber's  
24 share of the production of electricity from the project, as  
25 determined by paragraph (5) of this subsection (1). For the  
26 purposes of this subsection, "total price to compare" means

1 the rate or rates published by the Illinois Commerce  
2 Commission for energy supply for eligible customers receiving  
3 supply service from the electric utility, and shall include  
4 energy, capacity, transmission, and the purchased energy  
5 adjustment. Notwithstanding anything to the contrary,  
6 customers on payment plans or participating in budget billing  
7 programs shall have credits applied on a monthly basis. Any  
8 applicable credit or reduction in load obligation from the  
9 production of the community renewable generating projects  
10 receiving a credit under this subsection shall be credited to  
11 the electric utility to offset the cost of providing the  
12 credit. To the extent that the credit or load obligation  
13 reduction does not completely offset the cost of providing the  
14 credit to subscribers of community renewable generation  
15 projects as described in this subsection, the electric utility  
16 may recover the remaining costs through its Multi-Year Rate  
17 Plan. All electric utilities serving 200,000 or fewer  
18 customers as of January 1, 2021 shall only provide the  
19 monetary credits to a subscriber's subsequent bill for the  
20 electricity produced by community renewable generation  
21 projects if the subscriber receives power and energy service  
22 from the electric utility. Alternative retail electric  
23 suppliers providing power and energy service to a subscriber  
24 located within the service territory of an electric utility  
25 not subject to Sections 16-108.18 and 16-118 shall provide the  
26 monetary credits to the subscriber's subsequent bill for the



1 electricity produced by community renewable generation  
2 projects.

3 (4) If requested by the owner or operator of a community  
4 renewable generating project, an electric utility serving more  
5 than 200,000 customers as of January 1, 2021 shall enter into a  
6 net crediting agreement with the owner or operator to include  
7 a subscriber's subscription fee on the subscriber's monthly  
8 electric bill and provide the subscriber with a net credit  
9 equivalent to the total bill credit value for that generation  
10 period minus the subscription fee, provided the subscription  
11 fee is structured as a fixed percentage of bill credit value.  
12 The net crediting agreement shall set forth payment terms from  
13 the electric utility to the owner or operator of the community  
14 renewable generating project, and the electric utility may  
15 charge a net crediting fee to the owner or operator of a  
16 community renewable generating project that may not exceed 1%  
17 ~~2%~~ of the subscription fee bill credit value. Notwithstanding  
18 anything to the contrary, an electric utility serving 200,000  
19 customers or fewer as of January 1, 2021 shall not be obligated  
20 to enter into a net crediting agreement with the owner or  
21 operator of a community renewable generating project. An  
22 electric utility shall use the same net crediting format for  
23 subscribers on payment plans and subscribers participating in  
24 budget billing programs. For the purposes of this paragraph  
25 (4), "net crediting" means a program offered by an electric  
26 utility under which the electric utility, upon authorization

1 by or on behalf of a subscriber, remits the cash value of the  
2 subscription fee to the owner or operator of the community  
3 renewable generation facility without regard to whether the  
4 subscriber has paid the subscriber's monthly electric bill and  
5 places the cash value of the remaining bill credit on the  
6 subscriber's bill.

7 (5) For the purposes of facilitating net metering, the  
8 owner or operator of the eligible renewable electrical  
9 generating facility or community renewable generation project  
10 shall be responsible for determining the amount of the credit  
11 that each customer or subscriber participating in a project  
12 under this subsection (1) is to receive in the following  
13 manner:

14 (A) The owner or operator shall, on a monthly basis,  
15 provide to the electric utility the kilowatthours of  
16 generation attributable to each of the utility's retail  
17 customers and subscribers participating in projects under  
18 this subsection (1) in accordance with the customer's or  
19 subscriber's share of the eligible renewable electric  
20 generating facility's or community renewable generation  
21 project's output of power and energy for such month. The  
22 owner or operator shall electronically transmit such  
23 calculations and associated documentation to the electric  
24 utility, in a format or method set forth in the applicable  
25 tariff, on a monthly basis so that the electric utility  
26 can reflect the monetary credits on customers' and

1 subscribers' electric utility bills. The electric utility  
2 shall be permitted to revise its tariffs to implement the  
3 provisions of this amendatory Act of the 102nd General  
4 Assembly. The owner or operator shall separately provide  
5 the electric utility with the documentation detailing the  
6 calculations supporting the credit in the manner set forth  
7 in the applicable tariff.

8 (B) For those participating customers and subscribers  
9 who receive their energy supply from an alternative retail  
10 electric supplier, the electric utility shall remit to the  
11 applicable alternative retail electric supplier the  
12 information provided under subparagraph (A) of this  
13 paragraph (3) for such customers and subscribers in a  
14 manner set forth in such alternative retail electric  
15 supplier's net metering program, or as otherwise agreed  
16 between the utility and the alternative retail electric  
17 supplier. The alternative retail electric supplier shall  
18 then submit to the utility the amount of the charges for  
19 power and energy to be applied to such customers and  
20 subscribers, including the amount of the credit associated  
21 with net metering.

22 (C) A participating customer or subscriber may provide  
23 authorization as required by applicable law that directs  
24 the electric utility to submit information to the owner or  
25 operator of the eligible renewable electrical generating  
26 facility or community renewable generation project to

1           which the customer or subscriber has an ownership or  
2           leasehold interest or a subscription. Such information  
3           shall be limited to the components of the net metering  
4           credit calculated under this subsection (1), including the  
5           bill credit rate, total kilowatthours, and total monetary  
6           credit value applied to the customer's or subscriber's  
7           bill for the monthly billing period.

8           (1-5) Within 90 days after the effective date of this  
9           amendatory Act of the 102nd General Assembly, each electric  
10          utility subject to this Section shall file a tariff or tariffs  
11          to implement the provisions of subsection (1) of this Section,  
12          which shall, consistent with the provisions of subsection (1),  
13          describe the terms and conditions under which owners or  
14          operators of qualifying properties, units, or apartments may  
15          participate in net metering. The Commission shall approve, or  
16          approve with modification, the tariff within 120 days after  
17          the effective date of this amendatory Act of the 102nd General  
18          Assembly.

19          (1-10) Each electricity provider shall allow net metering  
20          as set forth in this subsection for an energy storage system or  
21          vehicle storage system energized after the effective date of  
22          this amendatory Act of the 104th General Assembly with a  
23          nameplate capacity of not more than 5,000 kilowatts.

24          An energy storage system or vehicle storage system  
25          eligible for net metering under this subsection may be  
26          interconnected behind the meter of a retail customer or at the

1 distribution system level of an electric utility as follows:

2 (A) if the energy storage system or vehicle storage  
3 system is interconnected behind the meter of a retail  
4 customer, in order to receive net metering under this  
5 subsection, the eligible customer behind whose meter the  
6 energy storage system is interconnected must receive  
7 service from an electricity provider under an hourly  
8 supply tariff, a time-of-use supply tariff, or a  
9 time-of-use contract with an alternative retail electric  
10 supplier; or

11 (B) if the energy storage system or vehicle storage  
12 system is interconnected at the distribution system level  
13 of an electric utility and not behind the meter of a retail  
14 customer, the energy storage system or vehicle storage  
15 system must receive service from an electricity provider  
16 as a retail customer under an hourly supply tariff  
17 authorized by Section 16-107, a supply tariff or contract  
18 on substantially similar terms and conditions with an  
19 alternative retail electric supplier, a time-of-use supply  
20 tariff, or a time-of-use supply contract with an  
21 alternative retail electric supplier.

22 If the energy storage system or vehicle storage system is  
23 interconnected behind the meter of an eligible customer, the  
24 eligible customer shall receive net metering based on hourly  
25 or time-of-use rates in accordance with the terms of  
26 subsection (d-5) or (f) or paragraph (2) of subsection (n) of

1 this Section, as applicable to the eligible customer. If the  
2 energy storage system or vehicle storage system is  
3 interconnected at the distribution system level of an electric  
4 utility and not behind the meter of a retail customer, then the  
5 energy storage system or vehicle storage system shall receive  
6 net metering pursuant to the terms of subsection (f) of this  
7 Section.

8 (m) Nothing in this Section shall affect the right of an  
9 electricity provider to continue to provide, or the right of a  
10 retail customer to continue to receive service pursuant to a  
11 contract for electric service between the electricity provider  
12 and the retail customer in accordance with the prices, terms,  
13 and conditions provided for in that contract. Either the  
14 electricity provider or the customer may require compliance  
15 with the prices, terms, and conditions of the contract.

16 (n) On and after January 1, 2025, the net metering  
17 services described in subsections (d), (d-5), and (e) of this  
18 Section shall no longer be offered, except as to those  
19 eligible renewable electrical generating facilities for which  
20 retail customers are receiving net metering service under  
21 these subsections at the time the net metering services under  
22 those subsections are no longer offered; those systems shall  
23 continue to receive net metering services described in  
24 subsections (d), (d-5), and (e) of this Section for the  
25 lifetime of the system, regardless of if those retail  
26 customers change electricity providers or whether the retail

1 customer benefiting from the system changes. The electric  
2 utility serving more than 200,000 customers as of January 1,  
3 2021 is responsible for ensuring the billing credits continue  
4 without lapse for the lifetime of systems, as required in  
5 subsection (o). Those retail customers that begin taking net  
6 metering service after the date that net metering services are  
7 no longer offered under such subsections shall be subject to  
8 the provisions set forth in the following paragraphs (1)  
9 through (3) of this subsection (n):

10 (1) An electricity provider shall charge or credit for  
11 the net electricity supplied to eligible customers or  
12 provided by eligible customers whose electric supply  
13 service is not provided based on hourly pricing in the  
14 following manner:

15 (A) If the amount of electricity used by the  
16 customer during the monthly billing period exceeds the  
17 amount of electricity produced by the customer, then  
18 the electricity provider shall charge the customer for  
19 the net kilowatt-hour based electricity charges  
20 reflected in the customer's electric service rate  
21 supplied to and used by the customer as provided in  
22 paragraph (3) of this subsection (n).

23 (B) If the amount of electricity produced by a  
24 customer during the monthly billing period exceeds the  
25 amount of electricity used by the customer during that  
26 billing period, then the electricity provider

1 supplying that customer shall apply a 1:1  
2 kilowatt-hour energy or monetary credit kilowatt-hour  
3 supply charges to the customer's subsequent bill. The  
4 customer shall choose between 1:1 kilowatt-hour or  
5 monetary credit at the time of application. For the  
6 purposes of this subsection, "kilowatt-hour supply  
7 charges" means the kilowatt-hour equivalent values for  
8 energy, capacity, transmission, and the purchased  
9 energy adjustment, if applicable. Notwithstanding  
10 anything to the contrary, customers on payment plans  
11 or participating in budget billing programs shall have  
12 credits applied on a monthly basis. The electricity  
13 provider shall continue to carry over any excess  
14 kilowatt-hour or monetary energy credits earned and  
15 apply those credits to subsequent billing periods. For  
16 customers with transmission or capacity charges not  
17 charged on a kilowatt-hour basis, the electricity  
18 provider shall prepare a reasonable approximation of  
19 the kilowatt-hour equivalent value and provide that  
20 value as a monetary credit. The electricity provider  
21 shall submit these approximation methodologies to the  
22 Commission for review, modification, and approval.

23 (C) (Blank).

24 (2) An electricity provider shall charge or credit for  
25 the net electricity supplied to eligible customers or  
26 provided by eligible customers whose electric supply



1 service is provided based on hourly pricing in the  
2 following manner:

3 (A) If the amount of electricity used by the  
4 customer during any hourly period exceeds the amount  
5 of electricity produced by the customer, then the  
6 electricity provider shall charge the customer for the  
7 net electricity supplied to and used by the customer  
8 as provided in paragraph (3) of this subsection (n).

9 (B) If the amount of electricity produced by a  
10 customer during any hourly period exceeds the amount  
11 of electricity used by the customer during that hourly  
12 period, the energy provider shall calculate an energy  
13 credit for the net kilowatt-hours produced in such  
14 period, and shall apply that credit as a monetary  
15 credit to the customer's subsequent bill. The value of  
16 the energy credit shall be calculated using the same  
17 price per kilowatt-hour as the electric service  
18 provider would charge for kilowatt-hour energy sales  
19 during that same hourly period and shall also include  
20 values for capacity and transmission. For customers  
21 with transmission or capacity charges not charged on a  
22 kilowatt-hour basis, the electricity provider shall  
23 prepare a reasonable approximation of the  
24 kilowatt-hour equivalent value and provide that value  
25 as a monetary credit. The electricity provider shall  
26 submit these approximation methodologies to the

1 Commission for review, modification, and approval.  
2 Notwithstanding anything to the contrary, customers on  
3 payment plans or participating in budget billing  
4 programs shall have credits applied on a monthly  
5 basis.

6 (3) An electricity provider shall provide electric  
7 service to eligible customers who utilize net metering at  
8 non-discriminatory rates that are identical, with respect  
9 to rate structure, retail rate components, and any monthly  
10 charges, to the rates that the customer would be charged  
11 if not a net metering customer. An electricity provider  
12 shall charge the customer for the net electricity supplied  
13 to and used by the customer according to the terms of the  
14 contract or tariff to which the same customer would be  
15 assigned or be eligible for if the customer was not a net  
16 metering customer. An electricity provider shall not  
17 charge net metering customers any fee or charge or require  
18 additional equipment, insurance, or any other requirements  
19 not specifically authorized by interconnection standards  
20 authorized by the Commission, unless the fee, charge, or  
21 other requirement would apply to other similarly situated  
22 customers who are not net metering customers. The customer  
23 remains responsible for the gross amount of delivery  
24 services charges, supply-related charges that are kilowatt  
25 based, and all taxes and fees related to such charges. The  
26 customer also remains responsible for all taxes and fees

1 that would otherwise be applicable to the net amount of  
2 electricity used by the customer. Paragraphs (1) and (2)  
3 of this subsection (n) shall not be construed to prevent  
4 an arms-length agreement between an electricity provider  
5 and an eligible customer that sets forth different prices,  
6 terms, and conditions for the provision of net metering  
7 service, including, but not limited to, the provision of  
8 the appropriate metering equipment for non-residential  
9 customers. Nothing in this paragraph (3) shall be  
10 interpreted to mandate that a utility that is only  
11 required to provide delivery services to a given customer  
12 must also sell electricity to such customer.

13 (o) Within 90 days after the effective date of this  
14 amendatory Act of the 102nd General Assembly, each electric  
15 utility subject to this Section shall file a tariff, which  
16 shall, consistent with the provisions of this Section, propose  
17 the terms and conditions under which a customer may  
18 participate in net metering. The tariff for electric utilities  
19 serving more than 200,000 customers as of January 1, 2021  
20 shall also provide a streamlined and transparent bill  
21 crediting system for net metering to be managed by the  
22 electric utilities. The terms and conditions shall include,  
23 but are not limited to, that an electric utility shall manage  
24 and maintain billing of net metering credits and charges  
25 regardless of if the eligible customer takes net metering  
26 under an electric utility or alternative retail electric

1 supplier. The electric utility serving more than 200,000  
2 customers as of January 1, 2021 shall process and approve all  
3 net metering applications, even if an eligible customer is  
4 served by an alternative retail electric supplier; and the  
5 utility shall forward application approval to the appropriate  
6 alternative retail electric supplier. Eligibility for net  
7 metering shall remain with the owner of the utility billing  
8 address such that, if an eligible renewable electrical  
9 generating facility changes ownership, the net metering  
10 eligibility transfers to the new owner. The electric utility  
11 serving more than 200,000 customers as of January 1, 2021  
12 shall manage net metering billing for eligible customers to  
13 ensure full crediting occurs on electricity bills, including,  
14 but not limited to, ensuring net metering crediting begins  
15 upon commercial operation date, net metering billing transfers  
16 immediately if an eligible customer switches from an electric  
17 utility to alternative retail electric supplier or vice versa,  
18 and net metering billing transfers between ownership of a  
19 valid billing address. All transfers referenced in the  
20 preceding sentence shall include transfer of all banked  
21 credits. All electric utilities serving 200,000 or fewer  
22 customers as of January 1, 2021 shall manage net metering  
23 billing for eligible customers receiving power and energy  
24 service from the electric utility to ensure full crediting  
25 occurs on electricity bills, ensuring net metering crediting  
26 begins upon commercial operation date, net metering billing

1 transfers immediately if an eligible customer switches from an  
2 electric utility to alternative retail electric supplier or  
3 vice versa, and net metering billing transfers between  
4 ownership of a valid billing address. Alternative retail  
5 electric suppliers providing power and energy service to  
6 eligible customers located within the service territory of an  
7 electric utility serving 200,000 or fewer customers as of  
8 January 1, 2021 shall manage net metering billing for eligible  
9 customers to ensure full crediting occurs on electricity  
10 bills, including, but not limited to, ensuring net metering  
11 crediting begins upon commercial operation date, net metering  
12 billing transfers immediately if an eligible customer switches  
13 from an electric utility to alternative retail electric  
14 supplier or vice versa, and net metering billing transfers  
15 between ownership of a valid billing address.

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

17 (220 ILCS 5/16-107.6)

18 Sec. 16-107.6. Distributed generation and storage rebate.

19 (a) In this Section:

20 "Additive services" means the services that distributed  
21 energy resources provide to the energy system and society that  
22 are described in Section 16-107.9 ~~not (1) already included in~~  
23 ~~the base rebates for system wide grid services; or (2)~~  
24 ~~otherwise already compensated. Additive services may reflect,~~  
25 ~~but shall not be limited to, any geographic, time based,~~

1 ~~performance based, and other benefits of distributed energy~~  
2 ~~resources, as well as the present and future technological~~  
3 ~~capabilities of distributed energy resources and present and~~  
4 ~~future grid needs.~~

5 "Distributed energy resource" means a wide range of  
6 technologies that are located on the customer side of the  
7 customer's electric meter, including, but not limited to,  
8 distributed generation, energy storage, electric vehicles, and  
9 demand response technologies.

10 "Energy storage system" means commercially available  
11 technology that is capable of absorbing energy and storing it  
12 for a period of time for use at a later time, including, but  
13 not limited to, electrochemical, thermal, and  
14 electromechanical technologies, and may be interconnected  
15 behind the customer's meter or interconnected behind its own  
16 meter. "Energy storage system" also includes electric vehicle  
17 storage systems connected to the distribution grid and capable  
18 of discharging to the distribution grid.

19 "Smart inverter" means a device that converts direct  
20 current into alternating current and meets the IEEE 1547-2018  
21 equipment standards. Until devices that meet the IEEE  
22 1547-2018 standard are available, devices that meet the UL  
23 1741 SA standard are acceptable.

24 "Subscriber" has the meaning set forth in Section 1-10 of  
25 the Illinois Power Agency Act.

26 "Subscription" has the meaning set forth in Section 1-10

1 of the Illinois Power Agency Act.

2 "System-wide grid services" means the benefits that a  
3 distributed energy resource provides to the distribution grid  
4 for a period of no less than 25 years. System-wide grid  
5 services do not vary by location, time, or the performance  
6 characteristics of the distributed energy resource.  
7 System-wide grid services include, but are not limited to,  
8 avoided or deferred distribution capacity costs, resilience  
9 and reliability benefits, avoided or deferred distribution  
10 operation and maintenance costs, distribution voltage and  
11 power quality benefits, and line loss reductions.

12 "Threshold date" means the date 2 years after the  
13 effective date of this amendatory Act of the 104th General  
14 Assembly ~~December 31, 2024~~ or the date on which the utility's  
15 tariff or tariffs authorized by Section 16-107.9 ~~setting the~~  
16 ~~new compensation values established under subsection (c)~~ take  
17 effect, whichever is later.

18 (b) An electric utility that serves more than 200,000  
19 customers in the State shall file a petition with the  
20 Commission requesting approval of the utility's tariff to  
21 provide a rebate to the owner or operator of distributed  
22 generation, including third-party owned systems, that meets  
23 the following criteria:

24 (1) has a nameplate ~~generating~~ capacity no greater  
25 than 5,000 kilowatts and is primarily used to offset a  
26 customer's electricity load;

1           (2) is located on the customer's side of the billing  
2 meter and for the customer's own use;

3           (3) is interconnected to electric distribution  
4 facilities owned by the electric utility under rules  
5 adopted by the Commission by means of one or more  
6 inverters or smart inverters required by this Section, as  
7 applicable.

8           For purposes of this Section, "distributed generation"  
9 shall satisfy the definition of distributed renewable energy  
10 generation device set forth in Section 1-10 of the Illinois  
11 Power Agency Act to the extent such definition is consistent  
12 with the requirements of this Section.

13           In addition, any new photovoltaic distributed generation  
14 that is installed after June 1, 2017 (the effective date of  
15 Public Act 99-906) must be installed by a qualified person, as  
16 defined by subsection (i) of Section 1-56 of the Illinois  
17 Power Agency Act.

18           The tariff shall include a base rebate that compensates  
19 distributed generation for the system-wide grid services  
20 associated with distributed generation and, ~~after the~~  
21 ~~proceeding described in subsection (c) of this Section,~~ an  
22 additional payment or payments for any ~~the~~ additive services  
23 identified by the Commission under Section 16-107.9. The  
24 distributed generation and storage tariff shall provide that  
25 the smart inverter or smart inverters associated with the  
26 distributed generation shall provide autonomous response to



1 grid conditions through its default settings as approved by  
2 the Commission. Default settings may not be changed after the  
3 execution of the interconnection agreement except by mutual  
4 agreement between the utility and the owner or operator of the  
5 distributed generation. Nothing in this Section shall negate  
6 or supersede Institute of Electrical and Electronics Engineers  
7 equipment standards or other similar standards or  
8 requirements. The tariff shall not limit the ability of the  
9 smart inverter or smart inverters or other distributed energy  
10 resource to provide wholesale market products such as  
11 regulation, demand response, or other services, or limit the  
12 ability of the owner of the smart inverter or the other  
13 distributed energy resource to receive compensation for  
14 providing those wholesale market products or services.

15 (b-5) Within 30 days after the effective date of this  
16 amendatory Act of the 102nd General Assembly, each electric  
17 public utility with 3,000,000 or more retail customers shall  
18 file a tariff with the Commission that further compensates any  
19 retail customer that installs or has installed photovoltaic  
20 facilities paired with energy storage facilities on or  
21 adjacent to its premises for the benefits the facilities  
22 provide to the distribution grid. The tariff shall provide  
23 that, in addition to the other rebates identified in this  
24 Section, the electric utility shall rebate to such retail  
25 customer (i) the previously incurred and future costs of  
26 installing interconnection facilities and related

1 infrastructure to enable full participation in the PJM  
2 Interconnection, LLC or its successor organization frequency  
3 regulation market; and (ii) all wholesale demand charges  
4 incurred after the effective date of this amendatory Act of  
5 the 102nd General Assembly. The Commission shall approve, or  
6 approve with modification, the tariff within 120 days after  
7 the utility's filing.

8 To be eligible for a rebate described in this subsection  
9 (b-5), the owner or operator of the distributed generation  
10 shall provide proof of participation in the frequency  
11 regulation market. Upon providing proof of participation, the  
12 retail customer shall be entitled to a rebate equal to the cost  
13 of the interconnection facilities paid to ComEd, regardless of  
14 whether the retail customer would have incurred the  
15 interconnection costs in the absence of participating in the  
16 frequency regulation market, plus the cost of software,  
17 telecommunications hardware, and telemetry paid to enable  
18 communication with PJM for purposes of participating in the  
19 frequency regulation market. A utility providing rebates  
20 described in this subsection (b-5) shall be entitled to  
21 recover the costs of the rebates as provided for in subsection  
22 (h) of this Section. To the extent the electric utility's  
23 tariff shall be modified to comply with this subsection (b-5),  
24 it shall file a revised tariff with the Commission within 120  
25 days after the effective date of this amendatory Act of the  
26 104th General Assembly, and the Commission shall approve, or

1 approve with modification, the tariff within 240 days after  
2 the utility's filing.

3 (c) The proposed tariff authorized by subsection (b) of  
4 this Section shall include the following participation terms  
5 for rebates to be applied under this Section for distributed  
6 generation that satisfies the criteria set forth in subsection  
7 (b) of this Section:

8 (1) The owner or operator of distributed generation or  
9 distributed storage that services customers not eligible  
10 for net metering under subsection (d), (d-5), or (e) of  
11 Section 16-107.5 of this Act may apply for a rebate as  
12 provided for in this Section. ~~The~~ ~~Until the threshold~~  
13 ~~date,~~ the value of the rebate shall be \$250 per kilowatt of  
14 nameplate generating capacity, measured as nominal DC  
15 power output, of that customer's distributed generation.  
16 To the extent the distributed generation also has an  
17 associated energy storage, then until the threshold date  
18 for systems other than community renewable generation  
19 projects paired with an energy storage system, the energy  
20 storage system shall be separately compensated with a ~~base~~  
21 rebate of \$250 per kilowatt-hour of nameplate capacity. To  
22 the extent that a community renewable generation project  
23 is paired with an energy storage system, the energy  
24 storage system shall be separately compensated with a  
25 rebate of \$250 per kilowatt-hour of nameplate capacity.  
26 Any distributed generation device that is compensated for

1 storage in this subsection (1) after the effective date of  
2 this amendatory Act of the 104th General Assembly ~~before~~  
3 ~~the threshold date~~ shall participate in one or more  
4 programs authorized by paragraph (1) of subsection (e).  
5 Compensation determined through the Multi Year Integrated  
6 Grid Planning process that are designed to meet peak  
7 reduction and flexibility. After the threshold date, the  
8 value of the base rebate and additional compensation for  
9 any additive services shall be as determined by the  
10 Commission in the proceeding described in Section 16-107.9  
11 ~~subsection (e) of this Section, provided that the value of~~  
12 ~~the base rebate for system-wide grid services shall not be~~  
13 ~~lower than \$250 per kilowatt of nameplate generating~~  
14 ~~capacity of distributed generation or community renewable~~  
15 ~~generation project. To the extent that an electric~~  
16 utility's tariffs are inconsistent with the requirements  
17 of this paragraph (1) as modified by this amendatory Act  
18 of the 104th General Assembly, the electric utility shall,  
19 within 60 days after the effective date of this amendatory  
20 Act of the 104th General Assembly, file modified tariffs  
21 consistent with the requirements of this paragraph (1).

22 (2) The owner or operator of distributed generation  
23 that, before the threshold date, would have been eligible  
24 for net metering under subsection (d), (d-5), or (e) of  
25 Section 16-107.5 of this Act and that has not previously  
26 received a distributed generation rebate, may apply for a

1 rebate as provided for in this Section. Until December 31,  
2 2029 ~~the threshold date~~, the value of the base rebate  
3 shall be \$300 per kilowatt of nameplate generating  
4 capacity, measured as nominal DC power output, of the  
5 distributed generation. On or after January 1, 2030, the  
6 value of the base rebate shall be \$250 per kilowatt of  
7 nameplate generating capacity, measured as nominal DC  
8 power output, of the distributed generation. The owner or  
9 operator of distributed generation that, before the  
10 threshold date, is eligible for net metering under  
11 subsection (d), (d-5), or (e) of Section 16-107.5 of this  
12 Act may apply for a base rebate for an associated energy  
13 storage device behind the same retail customer meter as  
14 the distributed generation, regardless of whether the  
15 distributed generation applies for a rebate for the  
16 distributed generation device. An ~~The~~ energy storage  
17 system, whether or not paired with distributed generation,  
18 shall be separately compensated at a base payment of \$300  
19 per kilowatt-hour of nameplate capacity until the  
20 threshold date. Any distributed generation device that is  
21 compensated for storage in this subsection (2) has the  
22 option to ~~before the threshold date shall~~ participate in  
23 either an a peak time rebate program, hourly pricing  
24 program, or time-of-use rate program and any distributed  
25 generation device that is compensated for storage in this  
26 subsection (2) after the effective date of this amendatory

1 Act of the 104th General Assembly shall participate in a  
2 scheduled dispatch program set forth in paragraph (1) of  
3 subsection (e) when it becomes available ~~offered by the~~  
4 ~~applicable electric utility.~~ Compensation ~~After the~~  
5 ~~threshold date, the value of the base rebate and~~  
6 ~~additional compensation~~ for any additive services or other  
7 programs shall be as determined by the Commission in the  
8 proceeding described in Section 16-107.9 ~~subsection (e) of~~  
9 ~~this Section, provided that, prior to December 31, 2029,~~  
10 ~~the value of the base rebate for system-wide services~~  
11 ~~shall not be lower than \$300 per kilowatt of nameplate~~  
12 ~~generating capacity of distributed generation, after which~~  
13 ~~it shall not be lower than \$250 per kilowatt of nameplate~~  
14 ~~capacity. The eligibility of energy storage devices that~~  
15 ~~are interconnected behind the same retail customer meter~~  
16 ~~as the distributed generation shall not be limited to~~  
17 ~~energy storage devices interconnected after the effective~~  
18 ~~date of this amendatory Act of the 103rd General Assembly.~~  
19 To the extent that an electric utility's tariffs are  
20 inconsistent with the requirements of this paragraph (2)  
21 as modified by this amendatory Act of the 104th General  
22 Assembly ~~this amendatory Act of the 103rd General~~  
23 ~~Assembly~~, such electric utility shall, within 60 ~~30~~ days,  
24 file modified tariffs consistent with the requirements of  
25 this paragraph (2).

26 (3) Upon approval of a rebate application submitted

1 under this subsection (c), the retail customer shall no  
2 longer be entitled to receive any delivery service credits  
3 for the excess electricity generated by its facility and  
4 shall be subject to the provisions of subsection (n) of  
5 Section 16-107.5 of this Act unless the owner or operator  
6 receives a rebate only for an energy storage device and  
7 not for the distributed generation device.

8 (4) To be eligible for a rebate described in this  
9 subsection (c), the owner or operator of the distributed  
10 generation must have a smart inverter installed and in  
11 operation on the distributed generation.

12 (5) The owner or operator of any distributed  
13 generation or distributed storage system whose electric  
14 service has not been declared competitive under Section  
15 16-113 as of July 1, 2011 or the owner or operator of a  
16 community renewable generation project participating in  
17 the Adjustable Block Program as a community-driven  
18 community solar project as defined in item (v) of  
19 subparagraph (1) of paragraph (K) of subsection (c) of  
20 Section 1-75 of the Illinois Power Agency Act and that has  
21 an interconnection agreement dated after the effective  
22 date of this amendatory Act of the 104th General Assembly  
23 shall be eligible for an additional payment or payments to  
24 the applicable rebate under paragraphs (1) or (2) of this  
25 subsection (c) in an amount set by tariff and approved by  
26 the Commission if located in an equity investment eligible

1       community, as defined in Section 1-10 of the Illinois  
2       Power Agency Act, at the time the interconnection  
3       agreement is signed.

4       (d) The Commission shall review the proposed tariff  
5 authorized by subsection (b) of this Section and may make  
6 changes to the tariff that are consistent with this Section  
7 and with the Commission's authority under Article IX of this  
8 Act, subject to notice and hearing. Following notice and  
9 hearing, the Commission shall issue an order approving, or  
10 approving with modification, such tariff no later than 240  
11 days after the utility files its tariff. Upon the effective  
12 date of this amendatory Act of the 102nd General Assembly, an  
13 electric utility shall file a petition with the Commission to  
14 amend and update any existing tariffs to comply with  
15 subsections (b) and (c).

16       (e) By no later than June 30, 2026 ~~June 30, 2023~~, the  
17 Commission shall establish a scheduled dispatch virtual power  
18 plant program in which customers that own or operate an energy  
19 storage system that receive a rebate for the distributed  
20 storage portion under paragraphs (1) and (2) of subsection (c)  
21 are required to participate ~~open an independent, statewide~~  
22 ~~investigation into the value of, and compensation for,~~  
23 ~~distributed energy resources. The Commission shall conduct the~~  
24 ~~investigation, but may arrange for experts or consultants~~  
25 ~~independent of the utilities and selected by the Commission to~~  
26 ~~assist with the investigation. The cost of the investigation~~



1 ~~shall be shared by the utilities filing tariffs under~~  
2 ~~subsection (b) of this Section but may be recovered as an~~  
3 ~~expense through normal ratemaking procedures.~~

4       (1) The scheduled dispatch virtual power plant program  
5 shall require an enrollment period of 5 years and require  
6 each participating system to commit to dispatch each  
7 weekday during the months of June, July, August, and  
8 September from 4 p.m. to 6 p.m. for systems interconnected  
9 behind the meter of a retail customer and from 4 p.m. to 7  
10 p.m. for systems interconnected on the distribution system  
11 of an electric utility and not behind the meter of a retail  
12 customer. Upon petition by the applicable electric utility  
13 or on its own motion, the Commission may approve different  
14 dispatch schedules provided that dispatch events do not  
15 exceed 80 days and shall not exceed 2 hours for systems  
16 interconnected behind the meter of a retail customer or 3  
17 hours for systems interconnected on the distribution  
18 system of an electric utility and not behind the meter of a  
19 retail customer. ~~The Commission shall ensure that the~~  
20 ~~investigation includes, at minimum, diverse sets of~~  
21 ~~stakeholders; a review of best practices in calculating~~  
22 ~~the value of distributed energy resource benefits; a~~  
23 ~~review of the full value of the distributed energy~~  
24 ~~resources and the manner in which each component of that~~  
25 ~~value is or is not otherwise compensated; and assessments~~  
26 ~~of how the value of distributed energy resources may~~

1 ~~evolve based on the present and future technological~~  
2 ~~capabilities of distributed energy resources and based on~~  
3 ~~present and future grid needs.~~

4 (2) The scheduled dispatch virtual power plant program  
5 shall be open to all customer classes with eligible energy  
6 storage systems and shall measure performance based on  
7 combined export of paired resources if the eligible device  
8 is inverter-based renewables paired with storage through  
9 at least December 31, 2030 and until such time as the  
10 Commission approves and the utility implements a tariff  
11 under subsection (d) of Section 16-107.9 of this Act, at  
12 which time such customers shall be transitioned to that  
13 tariff in a manner prescribed in the tariff. The scheduled  
14 dispatch virtual power plant program shall be required for  
15 all community renewable generation projects paired with an  
16 energy storage system without regard to the threshold  
17 date. The Commission's final order concluding this  
18 investigation shall establish an annual process and  
19 formula for the compensation of distributed generation and  
20 energy storage systems, and an initial set of inputs for  
21 that formula. The Commission's final order concluding this  
22 investigation shall establish base rebates that compensate  
23 distributed generation, community renewable generation  
24 projects and energy storage systems for the system-wide  
25 grid services that they provide. Those base rebate values  
26 shall be consistent across the state, and shall not vary

1 ~~by customer, customer class, customer location, or any~~  
2 ~~other variable. With respect to rebates for distributed~~  
3 ~~generation or community renewable generation projects,~~  
4 ~~that rebate shall not be lower than \$250 per kilowatt of~~  
5 ~~nameplate generating capacity of the distributed~~  
6 ~~generation or community renewable generation project. The~~  
7 ~~Commission's final order concluding this proceeding shall~~  
8 ~~also direct the utilities to update the formula, on an~~  
9 ~~annual basis, with inputs derived from their integrated~~  
10 ~~grid plans developed pursuant to Section 16-105.17. The~~  
11 ~~base rebate shall be updated annually based on the annual~~  
12 ~~updates to the formula inputs, but, with respect to~~  
13 ~~rebates for distributed generation or community renewable~~  
14 ~~generation projects, shall be no lower than \$250 per~~  
15 ~~kilowatt of nameplate generating capacity of the~~  
16 ~~distributed generation or community renewable generation~~  
17 ~~project.~~

18 (3) Compensation shall be set by the Commission but  
19 shall not be less than \$10 per kilowatt of average  
20 dispatch during identified hours, paid to enrolled  
21 customers or project owners at end of program year. For  
22 distributed generation interconnected to an electric  
23 utility's distribution system and not behind the meter of  
24 a retail customer, dispatch to determine compensation  
25 shall be measured at point of interconnection. For  
26 distributed generation and storage interconnected behind

1 the meter of a retail customer, dispatch to determine  
2 compensation shall be measured at the inverter connected  
3 to the storage device. ~~The Commission shall also~~  
4 ~~determine, as a part of its investigation under this~~  
5 ~~subsection, whether distributed energy resources can~~  
6 ~~provide any additive services. Those additive services may~~  
7 ~~include services that are provided through~~  
8 ~~utility controlled responses to grid conditions. If the~~  
9 ~~Commission determines that distributed energy resources~~  
10 ~~can provide additive grid services, the Commission shall~~  
11 ~~determine the terms and conditions for the operation and~~  
12 ~~compensation of those services. That compensation shall be~~  
13 ~~above and beyond the base rebate that the distributed~~  
14 ~~energy generation, community renewable generation project~~  
15 ~~and energy storage system receives. Compensation for~~  
16 ~~additive services may vary by location, time, performance~~  
17 ~~characteristics, technology types, or other variables.~~

18 (4) No later than June 1, 2026, each public utility  
19 shall file an initial scheduled dispatch virtual power  
20 plant tariff. The Commission shall approve, or approve  
21 with modifications, the initial scheduled dispatch virtual  
22 power plant tariff for each utility not later than June  
23 30, 2026. ~~The Commission shall ensure that compensation~~  
24 ~~for distributed energy resources, including base rebates~~  
25 ~~and any payments for additive services, shall reflect all~~  
26 ~~reasonably known and measurable values of the distributed~~

1 ~~generation over its full expected useful life.~~  
2 ~~Compensation for additive services shall reflect, but~~  
3 ~~shall not be limited to, any geographic, time based,~~  
4 ~~performance based, and other benefits of distributed~~  
5 ~~generation, as well as the present and future~~  
6 ~~technological capabilities of distributed energy resources~~  
7 ~~and present and future grid needs.~~

8 (5) The Commission, by its own motion or by petition  
9 by an electric utility, may establish other additive  
10 services programs in addition to the virtual power plant  
11 program under Section 16-107.9. Nothing in this Section is  
12 intended to preempt or delay the implementation of other  
13 utility programs for devices that are not a part of the  
14 scheduled dispatch virtual power plant program that the  
15 Commission or utility may propose or require. The  
16 ~~Commission shall consider the electric utility's~~  
17 ~~integrated grid plan developed pursuant to Section~~  
18 ~~16 105.17 of this Act to help identify the value of~~  
19 ~~distributed energy resources for the purpose of~~  
20 ~~calculating the compensation described in this subsection.~~

21 (6) No later than December 31, 2028, the utilities  
22 shall file with the Commission a report that includes  
23 information on the following: (A) the number of  
24 participants in the scheduled dispatch program; (B)  
25 impacts to energy supply prices and wholesale market  
26 activities; (C) impacts on distribution system investments

1        and planning; and (D) any potential pathways by which the  
2        virtual power plan program described in Section 16-107.9  
3        may be designed to capture wholesale market value through  
4        participation in the wholesale market and apply that  
5        wholesale market revenue to reduce utility distribution or  
6        electric supply rates for customers. ~~The Commission shall~~  
7        ~~determine additional compensation for distributed energy~~  
8        ~~resources that creates savings and value on the~~  
9        ~~distribution system by being co-located or in close~~  
10       ~~proximity to electric vehicle charging infrastructure in~~  
11       ~~use by medium duty and heavy duty vehicles, primarily~~  
12       ~~servicing environmental justice communities, as outlined in~~  
13       ~~the utility integrated grid planning process under Section~~  
14       ~~16-105.17 of this Act.~~

15       ~~No later than 60 days after the Commission enters its~~  
16       ~~final order under this subsection (c), each utility shall file~~  
17       ~~its updated tariff or tariffs in compliance with the order,~~  
18       ~~including new tariffs for the recovery of costs incurred under~~  
19       ~~this subsection (c) that shall provide for volumetric based~~  
20       ~~cost recovery, and the Commission shall approve, or approve~~  
21       ~~with modification, the tariff or tariffs within 240 days after~~  
22       ~~the utility's filing.~~

23       (f) Notwithstanding any provision of this Act to the  
24       contrary, the owner or operator of a community renewable  
25       generation project as defined in Section 1-10 of the Illinois  
26       Power Agency Act whether or not a paired energy storage system

1 or the owner or operator of an energy storage system that is  
2 eligible for net metering under subsection (1-10) of Section  
3 16-107.5 shall also be eligible to apply for the rebate  
4 described in this Section. The owner or operator of the  
5 community renewable generation project whether or not a paired  
6 energy storage system or the owner or operator of an energy  
7 storage system that is eligible for net metering under  
8 subsection (1-10) of Section 16-107.5 may apply for a rebate  
9 only if the owner or operator, or previous owner or operator,  
10 of the community renewable generation project whether or not a  
11 paired energy storage system or the owner or operator of an  
12 energy storage system that is eligible for net metering under  
13 subsection (1-10) of Section 16-107.5 has not already  
14 submitted an application, and, regardless of whether the  
15 subscriber is a residential or non-residential customer, may  
16 be allowed the amount identified in paragraph (1) of  
17 subsection (c) applicable on the date that the application is  
18 submitted.

19 (g) The owner of a distributed storage system, whether or  
20 not paired with distributed generation, ~~the distributed~~  
21 generation or community renewable generation project may apply  
22 for the rebate or rebates approved under this Section at the  
23 time of execution of an interconnection agreement with the  
24 distribution utility and shall receive the value available at  
25 that time of execution of the interconnection agreement,  
26 ~~provided the project reaches mechanical completion within 24~~

1 ~~months after execution of the interconnection agreement. If~~  
2 ~~the project has not reached mechanical completion within 24~~  
3 ~~months after execution, the owner may reapply for the rebate~~  
4 ~~or rebates approved under this Section available at the time~~  
5 ~~of application and shall receive the value available at the~~  
6 ~~time of application.~~ The utility shall issue the rebate no  
7 later than 60 days after the project is energized. In the event  
8 the application is incomplete or the utility is otherwise  
9 unable to calculate the payment based on the information  
10 provided by the owner, the utility shall issue the payment no  
11 later than 60 days after the application is complete or all  
12 requested information is received.

13 (h) An electric utility shall recover from its retail  
14 customers all of the costs of the rebates made under a tariff  
15 or tariffs approved under ~~subsection (d) of~~ this Section,  
16 including, but not limited to, the value of the rebates and all  
17 costs incurred by the utility to comply with and implement  
18 subsections (b), (b-5), ~~and~~ (c), and (e) of this Section, ~~but~~  
19 ~~not including costs incurred by the utility to comply with and~~  
20 ~~implement subsection (e) of this Section,~~ consistent with the  
21 following provisions:

22 (1) The utility shall defer the full amount of its  
23 costs as a regulatory asset. The total costs deferred as a  
24 regulatory asset shall be amortized over a 15-year period.  
25 The unamortized balance shall be recognized as of December  
26 31 for a given year. The utility shall also earn a return



1 on the total of the unamortized balance of the regulatory  
2 assets, less any deferred taxes related to the unamortized  
3 balance, at an annual rate equal to the utility's weighted  
4 average cost of capital that includes, based on a year-end  
5 capital structure, the utility's actual cost of debt for  
6 the applicable calendar year and a cost of equity, which  
7 shall be equal to the baseline cost of equity approved by  
8 the Commission for the utility's electric distribution  
9 rates case effective during the applicable year, whether  
10 those rates are set pursuant to Section 9-201,  
11 subparagraph (B) of paragraph (3) of subsection (d) of  
12 Section 16-108.18, or any successor electric distribution  
13 ratemaking paradigm calculated as the sum of (i) the  
14 average for the applicable calendar year of the monthly  
15 average yields of 30 year U.S. Treasury bonds published by  
16 the Board of Governors of the Federal Reserve System in  
17 its weekly H.15 Statistical Release or successor  
18 publication; and (ii) 580 basis points, including a  
19 revenue conversion factor calculated to recover or refund  
20 all additional income taxes that may be payable or  
21 receivable as a result of that return.

22 When an electric utility creates a regulatory asset  
23 under the provisions of this paragraph (1) of subsection  
24 (h), the costs are recovered over a period during which  
25 customers also receive a benefit, which is in the public  
26 interest. Accordingly, it is the intent of the General

1 Assembly that an electric utility that elects to create a  
2 regulatory asset under the provisions of this paragraph  
3 (1) shall recover all of the associated costs, including,  
4 but not limited to, its cost of capital as set forth in  
5 this paragraph (1). After the Commission has approved the  
6 prudence and reasonableness of the costs that comprise the  
7 regulatory asset, the electric utility shall be permitted  
8 to recover all such costs, and the value and  
9 recoverability through rates of the associated regulatory  
10 asset shall not be limited, altered, impaired, or reduced.  
11 To enable the financing of the incremental capital  
12 expenditures, including regulatory assets, for electric  
13 utilities that serve less than 3,000,000 retail customers  
14 but more than 500,000 retail customers in the State, the  
15 utility's actual year-end capital structure that includes  
16 a common equity ratio, excluding goodwill, of up to and  
17 including 50% of the total capital structure shall be  
18 deemed reasonable and used to set rates.

19 (2) The utility, at its election, may recover all of  
20 the costs as part of a filing for a general increase in  
21 rates under Article IX of this Act, as part of an annual  
22 filing to update a performance-based ~~formula~~ rate under  
23 Section 16-108.18 ~~subsection (d) of Section 16-108.5 of~~  
24 ~~this Act~~, or through an automatic adjustment clause  
25 tariff, provided that nothing in this paragraph (2)  
26 permits the double recovery of such costs from customers.

1 If the utility elects to recover the costs it incurs under  
2 subsections (b), (b-5), ~~and~~ (c), and (e) through an  
3 automatic adjustment clause tariff, the utility may file  
4 its proposed tariff together with the tariff it files  
5 under subsection (b) of this Section or at a later time.  
6 The proposed tariff shall provide for an annual  
7 reconciliation, less any deferred taxes related to the  
8 reconciliation, with interest at an annual rate of return  
9 equal to the utility's weighted average cost of capital as  
10 calculated under paragraph (1) of this subsection (h),  
11 including a revenue conversion factor calculated to  
12 recover or refund all additional income taxes that may be  
13 payable or receivable as a result of that return, of the  
14 revenue requirement reflected in rates for each calendar  
15 year, beginning with the calendar year in which the  
16 utility files its automatic adjustment clause tariff under  
17 this subsection (h), with what the revenue requirement  
18 would have been had the actual cost information for the  
19 applicable calendar year been available at the filing  
20 date. The Commission shall review the proposed tariff and  
21 may make changes to the tariff that are consistent with  
22 this Section and with the Commission's authority under  
23 Article IX of this Act, subject to notice and hearing.  
24 Following notice and hearing, the Commission shall issue  
25 an order approving, or approving with modification, such  
26 tariff no later than 240 days after the utility files its

1 tariff.

2 (i) (Blank). ~~An electric utility shall recover from its~~  
3 ~~retail customers, on a volumetric basis, all of the costs of~~  
4 ~~the rebates made under a tariff or tariffs placed into effect~~  
5 ~~under subsection (c) of this Section, including, but not~~  
6 ~~limited to, the value of the rebates and all costs incurred by~~  
7 ~~the utility to comply with and implement subsection (c) of~~  
8 ~~this Section, consistent with the following provisions:~~

9 ~~(1) The utility may defer a portion of its costs as a~~  
10 ~~regulatory asset. The Commission shall determine the~~  
11 ~~portion that may be appropriately deferred as a regulatory~~  
12 ~~asset. Factors that the Commission shall consider in~~  
13 ~~determining the portion of costs that shall be deferred as~~  
14 ~~a regulatory asset include, but are not limited to: (i)~~  
15 ~~whether and the extent to which a cost effectively~~  
16 ~~deferred or avoided other distribution system operating~~  
17 ~~costs or capital expenditures; (ii) the extent to which a~~  
18 ~~cost provides environmental benefits; (iii) the extent to~~  
19 ~~which a cost improves system reliability or resilience;~~  
20 ~~(iv) the electric utility's distribution system plan~~  
21 ~~developed pursuant to Section 16-105.17 of this Act; (v)~~  
22 ~~the extent to which a cost advances equity principles; and~~  
23 ~~(vi) such other factors as the Commission deems~~  
24 ~~appropriate. The remainder of costs shall be deemed an~~  
25 ~~operating expense and shall be recoverable if found~~  
26 ~~prudent and reasonable by the Commission.~~

1           ~~The total costs deferred as a regulatory asset shall~~  
2           ~~be amortized over a 15-year period. The unamortized~~  
3           ~~balance shall be recognized as of December 31 for a given~~  
4           ~~year. The utility shall also earn a return on the total of~~  
5           ~~the unamortized balance of the regulatory assets, less any~~  
6           ~~deferred taxes related to the unamortized balance, at an~~  
7           ~~annual rate equal to the utility's weighted average cost~~  
8           ~~of capital that includes, based on a year end capital~~  
9           ~~structure, the utility's actual cost of debt for the~~  
10           ~~applicable calendar year and a cost of equity, which shall~~  
11           ~~be calculated as the sum of: (I) the average for the~~  
12           ~~applicable calendar year of the monthly average yields of~~  
13           ~~30-year U.S. Treasury bonds published by the Board of~~  
14           ~~Governors of the Federal Reserve System in its weekly H.15~~  
15           ~~Statistical Release or successor publication; and (II) 500~~  
16           ~~basis points, including a revenue conversion factor~~  
17           ~~calculated to recover or refund all additional income~~  
18           ~~taxes that may be payable or receivable as a result of that~~  
19           ~~return.~~

20           ~~(2) The utility may recover all of the costs through~~  
21           ~~an automatic adjustment clause tariff, on a volumetric~~  
22           ~~basis. The utility may file its proposed cost recovery~~  
23           ~~tariff together with the tariff it files under subsection~~  
24           ~~(c) of this Section or at a later time. The proposed tariff~~  
25           ~~shall provide for an annual reconciliation, less any~~  
26           ~~deferred taxes related to the reconciliation, with~~

1 ~~interest at an annual rate of return equal to the~~  
2 ~~utility's weighted average cost of capital as calculated~~  
3 ~~under paragraph (1) of this subsection (i), including a~~  
4 ~~revenue conversion factor calculated to recover or refund~~  
5 ~~all additional income taxes that may be payable or~~  
6 ~~receivable as a result of that return, of the revenue~~  
7 ~~requirement reflected in rates for each calendar year,~~  
8 ~~beginning with the calendar year in which the utility~~  
9 ~~files its automatic adjustment clause tariff under this~~  
10 ~~subsection (i), with what the revenue requirement would~~  
11 ~~have been had the actual cost information for the~~  
12 ~~applicable calendar year been available at the filing~~  
13 ~~date. The Commission shall review the proposed tariff and~~  
14 ~~may make changes to the tariff that are consistent with~~  
15 ~~this Section and with the Commission's authority under~~  
16 ~~Article IX of this Act, subject to notice and hearing.~~  
17 ~~Following notice and hearing, the Commission shall issue~~  
18 ~~an order approving, or approving with modification, such~~  
19 ~~tariff no later than 240 days after the utility files its~~  
20 ~~tariff.~~

21 (j) No later than 90 days after the Commission enters an  
22 order, or order on rehearing, whichever is later, approving an  
23 electric utility's proposed tariff under this Section, the  
24 electric utility shall provide notice of the availability of  
25 rebates under this Section.

26 (k) No later than January 1, 2030, the utilities shall

1 file with the Commission a report that includes:

2 (1) the number and geographic distribution of  
3 participants receiving rebates pursuant to this Section;

4 (2) impacts to energy supply prices and wholesale  
5 market activities;

6 (3) impacts on distribution system investments and  
7 planning; and

8 (4) any other values deemed relevant by the  
9 Commission.

10 (1) Upon petition by the applicable electric utility or on  
11 its own motion, the Commission may adjust rebate levels for  
12 new customers and make other appropriate changes to the rebate  
13 program in a manner that is consistent with the State's clean  
14 energy goals and the public interest.

15 (Source: P.A. 102-662, eff. 9-15-21; 102-1031, eff. 5-27-22;  
16 103-1066, eff. 2-20-25.)

17 (220 ILCS 5/16-107.8 new)

18 Sec. 16-107.8. Time-of-use pricing.

19 (a) The General Assembly finds that market-based  
20 time-of-use rates and pricing plans can reduce costs and help  
21 the State achieve its energy policy goals by improving load  
22 shape, encouraging energy conservation, and shifting usage  
23 away from periods where fossil fuels are used. By providing  
24 consumers information relating the costs of service to the  
25 time of energy usage, time-of-use rates can help consumers

1 reduce energy bills by using electricity when it is less  
2 costly.

3 (b) An electric utility shall offer at least one  
4 market-based rate option for eligible retail customers,  
5 including, but not limited to, customers participating in net  
6 electricity metering under the terms of Section 16-107.5, who  
7 choose to take power and energy supply service from the  
8 utility. The provisions of Section 16-107.5 notwithstanding,  
9 energy credits for net-metering customers shall be valued at  
10 the same price per kilowatt-hour as the price per  
11 kilowatt-hour that the electric service provider would charge  
12 for kilowatt-hour energy sales during the same hourly  
13 time-of-use period. The utility shall file its time-of-use  
14 rate tariff no later than 120 days after the effective date of  
15 this amendatory Act of the 104th General Assembly. The tariff  
16 or tariffs shall be subject to the following requirements:

17 (1) If more than one tariff is proposed, at least one  
18 tariff shall include at least the following 3 time blocks:

19 (A) a peak time block of consecutive hours best  
20 reflecting the average consecutive highest system  
21 power and energy use per hour in a calendar day;

22 (B) an off-peak time block, which reflects the  
23 next highest system power and energy demands in a  
24 calendar day; and

25 (C) a super-off-peak time block, defined as all  
26 other hours in a calendar day.



1           Time blocks shall reflect the hour and weekday for  
2           which the costs of services outlined in paragraphs (2)  
3           and (3) of this subsection (b) are charged.

4           (2) The tariff or tariffs shall describe the  
5           methodology for determining the prices for each time block  
6           using the applicable average zonal and capacity prices of  
7           the PJM Interconnection, LLC (PJM) and the Midcontinent  
8           Independent System Operator (MISO) and describe the manner  
9           in which customers who elect time-of-use pricing will be  
10           provided with the time blocks, associated block pricing,  
11           and day-ahead energy prices. Costs for electric capacity  
12           shall be determined in a manner that recovers the capacity  
13           obligation costs incurred by the electric utility.

14           (3) The time-of-use rate shall include the costs of  
15           transmission services and the charges for network  
16           integration transmission service, transmission  
17           enhancement, and locational reliability, as these terms  
18           are defined in the PJM and MISO Open Access Transmission  
19           Tariffs and manuals. If the Open Access Transmission  
20           Tariff or the manuals subsequently rename those terms, the  
21           services reflected under those terms shall continue to be  
22           included in the time-of-use rate described in this  
23           paragraph (3).

24           (4) Adjustments to the charges set by the tariff may  
25           be made on a monthly basis and adjustments to the time  
26           blocks may be made on an annual basis. A utility shall

1 submit to the Commission, through a supplemental  
2 information sheet, a tariff schedule. Customers shall be  
3 provided at least 2 weeks advance notice of any changes to  
4 charges or time blocks.

5 (5) A purchased energy adjustment shall be calculated  
6 to fully recover costs to supply power and energy. A  
7 utility shall procure power and energy in the applicable  
8 day-ahead market.

9 (c) The Commission shall approve or approve with  
10 modifications the tariff or tariffs after notice and hearing.  
11 A proceeding under this subsection (c) may not exceed 240 days  
12 in length.

13 (d) An electric utility shall submit an annual report to  
14 the Commission no later than April 1 of each year that  
15 describes the operation and results of the rate option,  
16 including information concerning the number and types of  
17 customers using the rate option, changes in customers' energy  
18 use patterns, an assessment of the value of the rate option to  
19 both participants and nonparticipants, and recommendations  
20 concerning modification of the rate option and the tariff or  
21 tariffs filed under this Section. The report shall be made  
22 available to the public on the Commission's website.

23 (e) Once a tariff or tariffs has been in effect, the  
24 Commission may, upon complaint, petition, or its own  
25 initiative, open a proceeding to investigate whether changes  
26 or modifications, consistent with the requirements of this

1 Section, to the tariff or tariffs, rate option administration,  
2 or any other rate option element is necessary to achieve the  
3 goals described in subsection (a). Such a proceeding may not  
4 last more than 180 days from the date upon which the  
5 investigation was opened.

6 (f) An electric utility shall be entitled to recover  
7 prudent and reasonable costs incurred in complying with this  
8 Section from its eligible retail customers.

9 (g) An electric utility's tariff or tariffs filed under  
10 this Section shall be subject to the provisions of Article IX  
11 as long as such provisions do not conflict with this Section.

12 (h) This Section does not apply to an electric utility  
13 that provides service to 100,000 or fewer customers.

14 (220 ILCS 5/16-107.9 new)

15 Sec. 16-107.9. Virtual power plant program.

16 (a) As used in this Section:

17 "Aggregator" means a third-party entity that participates  
18 in the program, other than the electric utility or its  
19 affiliate, that (i) represents and aggregates the load of  
20 participating customers who collectively have the ability to  
21 deploy 100 kilowatts or more of deployment of eligible devices  
22 and (ii) is responsible for performance of the aggregation in  
23 the program.

24 "Battery" means a behind-the-meter energy storage device  
25 and associated equipment that operate together to fulfill

1 program requirements.

2 "Commission" means the Illinois Commerce Commission.

3 "Customer" means an active electric service account holder  
4 of a utility.

5 "Direct participant" means a customer that enrolls in the  
6 program directly with the utility, rather than participating  
7 in the program through an aggregator.

8 "Distributed energy resource" has the meaning set forth in  
9 Section 16-107.6.

10 "Distributed energy resources management system" means a  
11 platform that may be used by distribution system operators or  
12 utilities to integrate grid resources, such as distributed  
13 energy resources, into system operations.

14 "Eligible device" means a customer or third party-owned  
15 distributed energy resource that satisfies the requirements  
16 for participation in the program as specified in the relevant  
17 program rider. "Eligible device" also means any device that  
18 can be controlled to respond to pricing, provide services,  
19 including decrease peak electricity demand or shift demand  
20 from peak to off-peak periods, or inject power to the grid.

21 "Eligible device" includes, but is not limited to,  
22 behind-the-meter energy storage systems, smart thermostats,  
23 electric vehicle batteries, including fleets, and distributed  
24 renewable energy devices paired with one or more energy  
25 storage systems.

26 "Emergency event" means an event called by the utility

1 with fewer than 24 hours notice.

2 "Energy storage system" has the meaning set forth in  
3 subsection (a) of Section 16-107.6.

4 "Enrolled customer" means a customer that participates in  
5 the program through either an aggregator or as a direct  
6 participant.

7 "Enrolled device" means an enrolled customer's eligible  
8 device, as specified in the relevant tariff.

9 "Enterprise distributed energy resources management  
10 system" means a platform operated by the electric utility that  
11 interfaces with a grid-edge distributed energy resources  
12 management system to integrate distributed energy resources  
13 into utility electric system operations.

14 "Grid-edge distributed energy resources management system"  
15 means a platform owned by a party other than the electric  
16 utility that may be used to integrate distributed energy  
17 resources.

18 "Grid event" means a grid condition for which the utility  
19 schedules or remotely dispatches enrolled devices to respond  
20 to, as specified in the grid service opportunities for each  
21 tariff.

22 "Grid service" means a capacity, energy, or ancillary  
23 service that supports grid operations.

24 "Participating customer" means an aggregator or a direct  
25 retail customer, as defined in Section 16-102, with one or  
26 more eligible devices.

1       "Performance payment" means a payment made to the  
2 participant based on the performance of an enrolled device  
3 providing a grid service during a grid event.

4       "Performance payment rate" means the compensation rate  
5 paid to participants for providing a particular grid service  
6 during a grid event.

7       "Smart inverter" has the meaning set forth in subsection  
8 (a) of Section 16-107.6.

9       "Upfront payment" means a one-time payment made at the  
10 time of enrollment.

11       "Virtual power plant" means an aggregation of  
12 behind-the-meter distributed energy resources operated in  
13 coordination to provide one or more grid services.

14       (b) The General Assembly finds that:

15           (1) virtual power plants are dynamic load management  
16 and energy supply resources that can support grid  
17 operations, reduce ratepayer costs, and achieve other  
18 important public policy goals;

19           (2) virtual power plants can reduce demand for grid  
20 supplied electricity during peak periods, shift  
21 electricity consumption out of peak periods, make  
22 renewable energy generated during off-peak periods  
23 available for use during peak periods, supply energy to  
24 the grid at desired times, provide frequency regulation,  
25 voltage support, and other ancillary services, reduce  
26 strain on the distribution system, manage localized peaks,

1 improve system resiliency and reliability, and provide  
2 other grid services;

3 (3) virtual power plants can facilitate and optimize  
4 the utilization of electrical generation from wind and  
5 solar energy to help utilities increase hosting capacity  
6 and integrate more renewable energy resources;

7 (4) virtual power plants can reduce costs to  
8 ratepayers by utilizing customer-sited resources to  
9 provide grid services, avoiding or reducing reliance on  
10 fossil-fuel fired peaker plants, avoiding or deferring the  
11 need to construct new and more costly grid scale  
12 resources, optimizing the use of existing assets, and  
13 avoiding or deferring distribution and transmission system  
14 upgrades and other grid investments;

15 (5) virtual power plants can promote equity by  
16 reducing costs for all ratepayers, expanding access to  
17 distributed energy resources among low-income and  
18 moderate-income customers through improved distributed  
19 energy resource finance ability, and providing other  
20 important co-benefits, including reduction in emissions of  
21 greenhouse gases and other pollutants, especially in  
22 environmental justice and other disadvantaged communities  
23 that host fossil fuel generation plants;

24 (6) the United States Department of Energy estimates  
25 that the United States could deploy 80 to 160 gigawatts of  
26 virtual power plants by 2030, a tripling of current

1 levels, to support the rapid electrification of vehicles  
2 and homes and provide on the order of \$10,000,000,000 in  
3 ratepayer savings annually. The deployment of virtual  
4 power plants can provide energy cost savings and other  
5 benefits to the people of Illinois;

6 (7) there are significant barriers to deployment and  
7 operation of virtual power plants, including the need for  
8 statutory and regulatory guidance and support, greater  
9 consistency in virtual power plant programs across  
10 regulatory jurisdictions, and for utility commitments to  
11 incorporate the use of virtual power plants into system  
12 operations and long-term resource planning;

13 (8) it is in the public interest to advance customer  
14 choice and leverage the expertise of private, non-utility  
15 entities to advance innovation and implement  
16 cost-effective clean energy solutions; and

17 (9) the policy of Illinois shall be to maximize the  
18 use of virtual power plants comprised of customer-owned  
19 and third party-owned distributed energy resources to  
20 deliver system services and other benefits through utility  
21 administered virtual power plant programs in accordance  
22 with the provisions of this amendatory Act of the 104th  
23 General Assembly.

24 (c) No later than December 31, 2028, the Commission shall  
25 approve at least one virtual power plant tariff for each  
26 electric utility serving more than 300,000 customers in the



1 State as of January 1, 2023. Each utility shall file a tariff  
2 or tariffs for approval no later than December 31, 2027 to  
3 allow retail customers in the electric utility's service areas  
4 to participate in a virtual power plant program proposal  
5 consistent with the provisions of this Section. The Commission  
6 shall provide opportunities for stakeholders to provide input  
7 on the virtual power plant programs proposed for  
8 implementation by each utility, which the Commission shall  
9 take into consideration in its review of each utility's  
10 filing. No later than one year after the utility's filing, the  
11 Commission shall approve or modify and approve each utility's  
12 virtual power plant program proposal for immediate  
13 implementation by the utility.

14 (d) The virtual power plant program filed under subsection  
15 (c) shall be developed for implementation through a tariff  
16 offering with standard terms and conditions for participation.  
17 The virtual power plant program tariff shall allow for  
18 customers with battery storage, non-battery storage and  
19 electric vehicle technologies to enroll the devices in the  
20 program through aggregators or directly with the utility. The  
21 virtual power plant program tariff shall:

22 (1) provide a mechanism to incorporate existing  
23 programs, such as smart thermostat demand-response or  
24 electric vehicle charging programs currently offered by  
25 the utility, under the virtual power plant program  
26 framework;

1           (2) provide grid services opportunities for each  
2           eligible technology that customers and aggregators may  
3           provide, which shall include, at minimum, reducing the  
4           utility's applicable capacity and transmission obligations  
5           and capturing daily wholesale energy arbitrage  
6           opportunities through provision of grid services;

7           (3) provide additional functions and grid service  
8           opportunities that the Commission determines are  
9           supportive of efficient planning and operation of the  
10          electrical grid, including:

11           (A) minimizing the use of fossil fuels at peak  
12          times;

13           (B) local peak demand reductions;

14           (C) locational value;

15           (D) the avoidance or deferral of local  
16          transmission or distribution upgrades or capacity  
17          expansion;

18           (E) voltage support and other ancillary services;

19          and

20           (F) emergency grid services;

21          (4) provide operational parameters, which shall  
22          include, at a minimum:

23           (A) minimum and maximum numbers of grid events for  
24          which the utility may require dispatch from the  
25          enrolled distributed energy resources;

26           (B) months of the year that grid events may occur;

1 (C) days of the week that grid events may occur;

2 (D) times of day that grid events may occur;

3 (E) maximum duration of grid events; and

4 (F) minimum day-ahead advance notification  
5 requirement of grid events, except for emergency  
6 events, as applicable;

7 (5) include provisions for aggregators to participate  
8 in the virtual power plant program, participate in the  
9 utility's distributed energy resource management system as  
10 available, automatically enroll and manage their  
11 customers' participation, receive dispatch signals and  
12 other communications from the utility, deliver performance  
13 measurement and verification data to the utility, and  
14 receive virtual power plant program payments directly from  
15 the utility;

16 (6) include provisions that provide a standardized  
17 process for any eligible aggregator to enroll in the  
18 program and authorize the eligible aggregators to manage  
19 individual customer device participation without  
20 additional authorizations from the utility;

21 (7) include provisions that allow a participating  
22 customer with multiple eligible devices to enroll the  
23 technologies either directly without an aggregator or  
24 through one or more aggregators in applicable programs  
25 under the tariff approved under this Section, provided  
26 that no particular device is accounted for more than once;

1           (8) include provisions for direct participant  
2 customers to participate with the utility's distributed  
3 energy resource management system as available, receive  
4 dispatch signals and other communications from the  
5 utility, deliver performance measurement and verification  
6 data to the utility, and receive virtual power plant  
7 program payments directly from the utility. Any provisions  
8 implementing this subpart that necessitate the  
9 installation of equipment to enable direct participation  
10 via the utility shall apply to customers who elect to  
11 participate as a direct participant and shall not be  
12 required of customers who participate via an aggregator or  
13 to customers who do not participate in the virtual power  
14 plant program;

15           (9) provide for measurement and verification of  
16 battery non-battery, and electric vehicle technologies  
17 performance directly at the device without the requirement  
18 for the installation of an additional meter;

19           (10) include upfront payment or performance payment  
20 compensation mechanisms for the peak reduction service, as  
21 well as for non-battery and electric vehicle technologies  
22 as the Commission deems appropriate. The performance  
23 payment shall be based on the average capacity provided  
24 during grid events. The Commission shall approve  
25 additional compensation mechanisms as it determines  
26 appropriate for other grid services provided under the

1 battery, non-battery and electric vehicle riders. The  
2 virtual power plant program shall not assess penalties for  
3 non-performance; provided, however, that the Commission  
4 may approve reasonable mechanisms to disenroll customers  
5 for continued non-performance;

6 (11) enable low-to-moderate income customers,  
7 community-driven community solar projects, and customers  
8 whose electric service has not been declared competitive  
9 pursuant to Section 16-113 as of July 1, 2011 located in  
10 equity investment eligible investment communities to  
11 receive a higher upfront enrollment payment. The  
12 Commission shall coordinate with State energy officials  
13 and departments to make funding from federal programs and  
14 such other sources as may be available for use in  
15 providing higher upfront payments to customers classes as  
16 may be approved by the Commission in accordance with this  
17 subsection;

18 (12) provide that the performance payment rate  
19 applicable at the time of enrollment shall be for 5 years,  
20 after which time the participant may reenroll at the then  
21 applicable performance payment rate for an additional  
22 5-year term;

23 (13) provide for a transition of customers from the  
24 scheduled dispatch program described in Section 16-107.6  
25 to the virtual power plant program; and

26 (14) allow enrolled customers to participate in other

1 applicable interconnection tariffs and grid service  
2 programs outside the virtual power plant program, so long  
3 as it does not result in double-counting of benefits for  
4 the same grid services.

5 (e) The Commission may adopt other reasonable requirements  
6 for participation consistent with this subsection, provided  
7 that collateral from an aggregator shall not be required for  
8 participation.

9 (f) The utility may contract with a third party-owned  
10 distributed energy resource management system provider to  
11 assist with program implementation; however, implementation  
12 shall not be delayed due to the lack of utility-owned  
13 distributed energy resource management system capabilities or  
14 third party-owned distributed energy resource management  
15 system capabilities.

16 (g) The utility shall not send or receive dispatch signals  
17 directly to or from any participating customer represented by  
18 an aggregator for an event under the virtual power plant  
19 program described in this Section.

20 (h) Participating aggregators shall have capabilities to  
21 receive event signals from utilities or utility-contracted  
22 distributed energy resources management system providers.

23 (i) Utilities shall recover reasonably and prudently  
24 incurred costs to facilitate the virtual power plant program  
25 approved under subsection (c), including, but not limited to,  
26 distributed energy resource management systems provider and

1 other service contract costs, operations and maintenance  
2 expenses, information technology costs, and other costs,  
3 expenses, and investments that the Commission finds necessary  
4 and prudent for the development and implementation of the  
5 program. The utility shall recover the cost of virtual power  
6 plant program upfront payments and performance payments and  
7 such other payments made to participants through the tariff  
8 filed pursuant to subsection (h) of Section 16-107.6.

9 (j) No later than January 31 of each year, each utility  
10 shall file an annual report that includes, but is not limited  
11 to:

12 (1) the total capacity enrolled in each program rider  
13 developed in accordance with the requirements of Section,  
14 broken down by technology type, customer class, and  
15 aggregator and direct participant status for each grid  
16 service opportunity offered in the prior calendar year;

17 (2) recommendations to increase participation in the  
18 virtual power plant program; and

19 (3) any other information that the Commission may  
20 require.

21 (k) Each utility shall amend existing tariffs and  
22 procedures that limit the ability of customers to participate  
23 in providing grid services under the program, such as  
24 limitations on charging energy storage devices with grid  
25 energy or exporting energy to the grid from battery discharge.

26 (l) The tariffs approved by the Commission shall not

1 reflect any additional charges, fees, or insurance  
2 requirements imposed on those owning or operating  
3 demand-response technologies beyond those imposed on similarly  
4 situated customers that do not own or operate demand-response  
5 technologies.

6 (m) As a condition of participating in the programs  
7 described in this Section, prior to enrollment of a customer  
8 by an aggregator, the aggregator shall disclose the following:

9 (1) the payments, expressed as an amount or a formula,  
10 to be provided to the customer;

11 (2) between the aggregator and customer, who is  
12 responsible for paying penalties or fees; and

13 (3) between the aggregator and customer, who is  
14 responsible for posting collateral, if required.

15 Any tariff authorized by this Section shall incorporate  
16 the requirements under this subsection and shall require the  
17 electric utility to establish a complaint and Commission  
18 notification process and, on order of the Commission, suspend  
19 any aggregator repeatedly or egregiously violating such  
20 requirements.

21 (220 ILCS 5/16-108)

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

24 (a) An electric utility shall file a delivery services  
25 tariff with the Commission at least 210 days prior to the date



1 that it is required to begin offering such services pursuant  
2 to this Act. An electric utility shall provide the components  
3 of delivery services that are subject to the jurisdiction of  
4 the Federal Energy Regulatory Commission at the same prices,  
5 terms and conditions set forth in its applicable tariff as  
6 approved or allowed into effect by that Commission. The  
7 Commission shall otherwise have the authority pursuant to  
8 Article IX to review, approve, and modify the prices, terms  
9 and conditions of those components of delivery services not  
10 subject to the jurisdiction of the Federal Energy Regulatory  
11 Commission, including the authority to determine the extent to  
12 which such delivery services should be offered on an unbundled  
13 basis. In making any such determination the Commission shall  
14 consider, at a minimum, the effect of additional unbundling on  
15 (i) the objective of just and reasonable rates, (ii) electric  
16 utility employees, and (iii) the development of competitive  
17 markets for electric energy services in Illinois.

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

23 (c) The electric utility's tariffs shall define the  
24 classes of its customers for purposes of delivery services  
25 charges. Delivery services shall be priced and made available  
26 to all retail customers electing delivery services in each

1 such class on a nondiscriminatory basis regardless of whether  
2 the retail customer chooses the electric utility, an affiliate  
3 of the electric utility, or another entity as its supplier of  
4 electric power and energy. Charges for delivery services shall  
5 be cost based, and shall allow the electric utility to recover  
6 the costs of providing delivery services through its charges  
7 to its delivery service customers that use the facilities and  
8 services associated with such costs. Such costs shall include  
9 the costs of owning, operating and maintaining transmission  
10 and distribution facilities. The Commission shall also be  
11 authorized to consider whether, and if so to what extent, the  
12 following costs are appropriately included in the electric  
13 utility's delivery services rates: (i) the costs of that  
14 portion of generation facilities used for the production and  
15 absorption of reactive power in order that retail customers  
16 located in the electric utility's service area can receive  
17 electric power and energy from suppliers other than the  
18 electric utility, and (ii) the costs associated with the use  
19 and redispatch of generation facilities to mitigate  
20 constraints on the transmission or distribution system in  
21 order that retail customers located in the electric utility's  
22 service area can receive electric power and energy from  
23 suppliers other than the electric utility. Nothing in this  
24 subsection shall be construed as directing the Commission to  
25 allocate any of the costs described in (i) or (ii) that are  
26 found to be appropriately included in the electric utility's

1 delivery services rates to any particular customer group or  
2 geographic area in setting delivery services rates.

3 (d) The Commission shall establish charges, terms and  
4 conditions for delivery services that are just and reasonable  
5 and shall take into account customer impacts when establishing  
6 such charges. In establishing charges, terms and conditions  
7 for delivery services, the Commission shall take into account  
8 voltage level differences. A retail customer shall have the  
9 option to request to purchase electric service at any delivery  
10 service voltage reasonably and technically feasible from the  
11 electric facilities serving that customer's premises provided  
12 that there are no significant adverse impacts upon system  
13 reliability or system efficiency. A retail customer shall also  
14 have the option to request to purchase electric service at any  
15 point of delivery that is reasonably and technically feasible  
16 provided that there are no significant adverse impacts on  
17 system reliability or efficiency. Such requests shall not be  
18 unreasonably denied.

19 (e) Electric utilities shall recover the costs of  
20 installing, operating or maintaining facilities for the  
21 particular benefit of one or more delivery services customers,  
22 including without limitation any costs incurred in complying  
23 with a customer's request to be served at a different voltage  
24 level, directly from the retail customer or customers for  
25 whose benefit the costs were incurred, to the extent such  
26 costs are not recovered through the charges referred to in

1 subsections (c) and (d) of this Section.

2 (f) An electric utility shall be entitled but not required  
3 to implement transition charges in conjunction with the  
4 offering of delivery services pursuant to Section 16-104. If  
5 an electric utility implements transition charges, it shall  
6 implement such charges for all delivery services customers and  
7 for all customers described in subsection (h), but shall not  
8 implement transition charges for power and energy that a  
9 retail customer takes from cogeneration or self-generation  
10 facilities located on that retail customer's premises, if such  
11 facilities meet the following criteria:

12 (i) the cogeneration or self-generation facilities  
13 serve a single retail customer and are located on that  
14 retail customer's premises (for purposes of this  
15 subparagraph and subparagraph (ii), an industrial or  
16 manufacturing retail customer and a third party contractor  
17 that is served by such industrial or manufacturing  
18 customer through such retail customer's own electrical  
19 distribution facilities under the circumstances described  
20 in subsection (vi) of the definition of "alternative  
21 retail electric supplier" set forth in Section 16-102,  
22 shall be considered a single retail customer);

23 (ii) the cogeneration or self-generation facilities  
24 either (A) are sized pursuant to generally accepted  
25 engineering standards for the retail customer's electrical  
26 load at that premises (taking into account standby or

1 other reliability considerations related to that retail  
2 customer's operations at that site) or (B) if the facility  
3 is a cogeneration facility located on the retail  
4 customer's premises, the retail customer is the thermal  
5 host for that facility and the facility has been designed  
6 to meet that retail customer's thermal energy requirements  
7 resulting in electrical output beyond that retail  
8 customer's electrical demand at that premises, comply with  
9 the operating and efficiency standards applicable to  
10 "qualifying facilities" specified in title 18 Code of  
11 Federal Regulations Section 292.205 as in effect on the  
12 effective date of this amendatory Act of 1999;

13 (iii) the retail customer on whose premises the  
14 facilities are located either has an exclusive right to  
15 receive, and corresponding obligation to pay for, all of  
16 the electrical capacity of the facility, or in the case of  
17 a cogeneration facility that has been designed to meet the  
18 retail customer's thermal energy requirements at that  
19 premises, an identified amount of the electrical capacity  
20 of the facility, over a minimum 5-year period; and

21 (iv) if the cogeneration facility is sized for the  
22 retail customer's thermal load at that premises but  
23 exceeds the electrical load, any sales of excess power or  
24 energy are made only at wholesale, are subject to the  
25 jurisdiction of the Federal Energy Regulatory Commission,  
26 and are not for the purpose of circumventing the

1 provisions of this subsection (f).

2 If a generation facility located at a retail customer's  
3 premises does not meet the above criteria, an electric utility  
4 implementing transition charges shall implement a transition  
5 charge until December 31, 2006 for any power and energy taken  
6 by such retail customer from such facility as if such power and  
7 energy had been delivered by the electric utility. Provided,  
8 however, that an industrial retail customer that is taking  
9 power from a generation facility that does not meet the above  
10 criteria but that is located on such customer's premises will  
11 not be subject to a transition charge for the power and energy  
12 taken by such retail customer from such generation facility if  
13 the facility does not serve any other retail customer and  
14 either was installed on behalf of the customer and for its own  
15 use prior to January 1, 1997, or is both predominantly fueled  
16 by byproducts of such customer's manufacturing process at such  
17 premises and sells or offers an average of 300 megawatts or  
18 more of electricity produced from such generation facility  
19 into the wholesale market. Such charges shall be calculated as  
20 provided in Section 16-102, and shall be collected on each  
21 kilowatt-hour delivered under a delivery services tariff to a  
22 retail customer from the date the customer first takes  
23 delivery services until December 31, 2006 except as provided  
24 in subsection (h) of this Section. Provided, however, that an  
25 electric utility, other than an electric utility providing  
26 service to at least 1,000,000 customers in this State on

1 January 1, 1999, shall be entitled to petition for entry of an  
2 order by the Commission authorizing the electric utility to  
3 implement transition charges for an additional period ending  
4 no later than December 31, 2008. The electric utility shall  
5 file its petition with supporting evidence no earlier than 16  
6 months, and no later than 12 months, prior to December 31,  
7 2006. The Commission shall hold a hearing on the electric  
8 utility's petition and shall enter its order no later than 8  
9 months after the petition is filed. The Commission shall  
10 determine whether and to what extent the electric utility  
11 shall be authorized to implement transition charges for an  
12 additional period. The Commission may authorize the electric  
13 utility to implement transition charges for some or all of the  
14 additional period, and shall determine the mitigation factors  
15 to be used in implementing such transition charges; provided,  
16 that the Commission shall not authorize mitigation factors  
17 less than 110% of those in effect during the 12 months ended  
18 December 31, 2006. In making its determination, the Commission  
19 shall consider the following factors: the necessity to  
20 implement transition charges for an additional period in order  
21 to maintain the financial integrity of the electric utility;  
22 the prudence of the electric utility's actions in reducing its  
23 costs since the effective date of this amendatory Act of 1997;  
24 the ability of the electric utility to provide safe, adequate  
25 and reliable service to retail customers in its service area;  
26 and the impact on competition of allowing the electric utility

1 to implement transition charges for the additional period.

2 (g) The electric utility shall file tariffs that establish  
3 the transition charges to be paid by each class of customers to  
4 the electric utility in conjunction with the provision of  
5 delivery services. The electric utility's tariffs shall define  
6 the classes of its customers for purposes of calculating  
7 transition charges. The electric utility's tariffs shall  
8 provide for the calculation of transition charges on a  
9 customer-specific basis for any retail customer whose average  
10 monthly maximum electrical demand on the electric utility's  
11 system during the 6 months with the customer's highest monthly  
12 maximum electrical demands equals or exceeds 3.0 megawatts for  
13 electric utilities having more than 1,000,000 customers, and  
14 for other electric utilities for any customer that has an  
15 average monthly maximum electrical demand on the electric  
16 utility's system of one megawatt or more, and (A) for which  
17 there exists data on the customer's usage during the 3 years  
18 preceding the date that the customer became eligible to take  
19 delivery services, or (B) for which there does not exist data  
20 on the customer's usage during the 3 years preceding the date  
21 that the customer became eligible to take delivery services,  
22 if in the electric utility's reasonable judgment there exists  
23 comparable usage information or a sufficient basis to develop  
24 such information, and further provided that the electric  
25 utility can require customers for which an individual  
26 calculation is made to sign contracts that set forth the



1 transition charges to be paid by the customer to the electric  
2 utility pursuant to the tariff.

3 (h) An electric utility shall also be entitled to file  
4 tariffs that allow it to collect transition charges from  
5 retail customers in the electric utility's service area that  
6 do not take delivery services but that take electric power or  
7 energy from an alternative retail electric supplier or from an  
8 electric utility other than the electric utility in whose  
9 service area the customer is located. Such charges shall be  
10 calculated, in accordance with the definition of transition  
11 charges in Section 16-102, for the period of time that the  
12 customer would be obligated to pay transition charges if it  
13 were taking delivery services, except that no deduction for  
14 delivery services revenues shall be made in such calculation,  
15 and usage data from the customer's class shall be used where  
16 historical usage data is not available for the individual  
17 customer. The customer shall be obligated to pay such charges  
18 on a lump sum basis on or before the date on which the customer  
19 commences to take service from the alternative retail electric  
20 supplier or other electric utility, provided, that the  
21 electric utility in whose service area the customer is located  
22 shall offer the customer the option of signing a contract  
23 pursuant to which the customer pays such charges ratably over  
24 the period in which the charges would otherwise have applied.

25 (i) An electric utility shall be entitled to add to the  
26 bills of delivery services customers charges pursuant to

1 Sections 9-221, 9-222 (except as provided in Section 9-222.1),  
2 and Section 16-114 of this Act, Section 5-5 of the Electricity  
3 Infrastructure Maintenance Fee Law, Section 6-5 of the  
4 Renewable Energy, Energy Efficiency, and Coal Resources  
5 Development Law of 1997, and Section 13 of the Energy  
6 Assistance Act.

7 (i-5) An electric utility required to impose the Coal to  
8 Solar and Energy Storage Initiative Charge provided for in  
9 subsection (c-5) of Section 1-75 of the Illinois Power Agency  
10 Act shall add such charge to the bills of its delivery services  
11 customers pursuant to the terms of a tariff conforming to the  
12 requirements of subsection (c-5) of Section 1-75 of the  
13 Illinois Power Agency Act and this subsection (i-5) and filed  
14 with and approved by the Commission. The electric utility  
15 shall file its proposed tariff with the Commission on or  
16 before July 1, 2022 to be effective, after review and approval  
17 or modification by the Commission, beginning January 1, 2023.  
18 On or before December 1, 2022, the Commission shall review the  
19 electric utility's proposed tariff, including by conducting a  
20 docketed proceeding if deemed necessary by the Commission, and  
21 shall approve the proposed tariff or direct the electric  
22 utility to make modifications the Commission finds necessary  
23 for the tariff to conform to the requirements of subsection  
24 (c-5) of Section 1-75 of the Illinois Power Agency Act and this  
25 subsection (i-5). The electric utility's tariff shall provide  
26 for imposition of the Coal to Solar and Energy Storage

1 Initiative Charge on a per-kilowatthour basis to all  
2 kilowatthours delivered by the electric utility to its  
3 delivery services customers. The tariff shall provide for the  
4 calculation of the Coal to Solar and Energy Storage Initiative  
5 Charge to be in effect for the year beginning January 1, 2023  
6 and each year beginning January 1 thereafter, sufficient to  
7 collect the electric utility's estimated payment obligations  
8 for the delivery year beginning the following June 1 under  
9 contracts for purchase of renewable energy credits entered  
10 into pursuant to subsection (c-5) of Section 1-75 of the  
11 Illinois Power Agency Act and the obligations of the  
12 Department of Commerce and Economic Opportunity, or any  
13 successor department or agency, which for purposes of this  
14 subsection (i-5) shall be referred to as the Department, to  
15 make grant payments during such delivery year from the Coal to  
16 Solar and Energy Storage Initiative Fund pursuant to grant  
17 contracts entered into pursuant to subsection (c-5) of Section  
18 1-75 of the Illinois Power Agency Act, and using the electric  
19 utility's kilowatthour deliveries to its delivery services  
20 customers during the delivery year ended May 31 of the  
21 preceding calendar year. On or before November 1 of each year  
22 beginning November 1, 2022, the Department shall notify the  
23 electric utilities of the amount of the Department's estimated  
24 obligations for grant payments during the delivery year  
25 beginning the following June 1 pursuant to grant contracts  
26 entered into pursuant to subsection (c-5) of Section 1-75 of

1 the Illinois Power Agency Act; and each electric utility shall  
2 incorporate in the calculation of its Coal to Solar and Energy  
3 Storage Initiative Charge the fractional portion of the  
4 Department's estimated obligations equal to the electric  
5 utility's kilowatthour deliveries to its delivery services  
6 customers in the delivery year ended the preceding May 31  
7 divided by the aggregate deliveries of both electric utilities  
8 to delivery services customers in such delivery year. The  
9 electric utility shall remit on a monthly basis to the State  
10 Treasurer, for deposit in the Coal to Solar and Energy Storage  
11 Initiative Fund provided for in subsection (c-5) of Section  
12 1-75 of the Illinois Power Agency Act, the electric utility's  
13 collections of the Coal to Solar and Energy Storage Initiative  
14 Charge estimated to be needed by the Department for grant  
15 payments pursuant to grant contracts entered into pursuant to  
16 subsection (c-5) of Section 1-75 of the Illinois Power Agency  
17 Act. The initial charge under the electric utility's tariff  
18 shall be effective for kilowatthours delivered beginning  
19 January 1, 2023, and thereafter shall be revised to be  
20 effective January 1, 2024 and each January 1 thereafter, based  
21 on the payment obligations for the delivery year beginning the  
22 following June 1. The tariff shall provide for the electric  
23 utility to make an annual filing with the Commission on or  
24 before November 15 of each year, beginning in 2023, setting  
25 forth the Coal to Solar and Energy Storage Initiative Charge  
26 to be in effect for the year beginning the following January 1.

1 The electric utility's tariff shall also provide that the  
2 electric utility shall make a filing with the Commission on or  
3 before August 1 of each year beginning in 2024 setting forth a  
4 reconciliation, for the delivery year ended the preceding May  
5 31, of the electric utility's collections of the Coal to Solar  
6 and Energy Storage Initiative Charge against actual payments  
7 for renewable energy credits pursuant to contracts entered  
8 into, and the actual grant payments by the Department pursuant  
9 to grant contracts entered into, pursuant to subsection (c-5)  
10 of Section 1-75 of the Illinois Power Agency Act. The tariff  
11 shall provide that any excess or shortfall of collections to  
12 payments shall be deducted from or added to, on a  
13 per-kilowatthour basis, the Coal to Solar and Energy Storage  
14 Initiative Charge, over the 6-month period beginning October 1  
15 of that calendar year.

16 (j) If a retail customer that obtains electric power and  
17 energy from cogeneration or self-generation facilities  
18 installed for its own use on or before January 1, 1997,  
19 subsequently takes service from an alternative retail electric  
20 supplier or an electric utility other than the electric  
21 utility in whose service area the customer is located for any  
22 portion of the customer's electric power and energy  
23 requirements formerly obtained from those facilities  
24 (including that amount purchased from the utility in lieu of  
25 such generation and not as standby power purchases, under a  
26 cogeneration displacement tariff in effect as of the effective

1 date of this amendatory Act of 1997), the transition charges  
2 otherwise applicable pursuant to subsections (f), (g), or (h)  
3 of this Section shall not be applicable in any year to that  
4 portion of the customer's electric power and energy  
5 requirements formerly obtained from those facilities,  
6 provided, that for purposes of this subsection (j), such  
7 portion shall not exceed the average number of kilowatt-hours  
8 per year obtained from the cogeneration or self-generation  
9 facilities during the 3 years prior to the date on which the  
10 customer became eligible for delivery services, except as  
11 provided in subsection (f) of Section 16-110.

12 (k) The electric utility shall be entitled to recover  
13 through tariffed charges all of the costs associated with the  
14 purchase of zero emission credits from zero emission  
15 facilities to meet the requirements of subsection (d-5) of  
16 Section 1-75 of the Illinois Power Agency Act and all of the  
17 costs associated with the purchase of carbon mitigation  
18 credits from carbon-free energy resources to meet the  
19 requirements of subsection (d-10) of Section 1-75 of the  
20 Illinois Power Agency Act. Such costs shall include the costs  
21 of procuring the zero emission credits and carbon mitigation  
22 credits from carbon-free energy resources, as well as the  
23 reasonable costs that the utility incurs as part of the  
24 procurement processes and to implement and comply with plans  
25 and processes approved by the Commission under subsections  
26 (d-5) and (d-10). The costs shall be allocated across all

1 retail customers through a single, uniform cents per  
2 kilowatt-hour charge applicable to all retail customers, which  
3 shall appear as a separate line item on each customer's bill.  
4 The electric utility shall be entitled to recover through  
5 tariffed charges approved by the Commission all of the prudent  
6 and reasonable costs associated with energy storage resources  
7 procurements to meet the energy storage system portfolio  
8 standard of subsection (d-20) of Section 1-75 of the Illinois  
9 Power Agency Act. Such costs shall include the contract costs  
10 for the energy storage system resources and the prudent and  
11 reasonable costs that the utility incurs as part of the  
12 procurement processes and in implementing and complying with  
13 plans and processes approved by the Commission under  
14 subsection (d-20). The costs associated with the purchase of  
15 energy storage system resources shall be allocated across all  
16 retail customers in proportion to the amount of energy storage  
17 system resources the utility procures for such customers  
18 through a single, uniform cents per kilowatt-hour charge  
19 applicable to such retail customers, which shall appear as a  
20 separate line item on each customer's bill. Beginning June 1,  
21 2017, the electric utility shall be entitled to recover  
22 through tariffed charges all of the costs associated with the  
23 purchase of renewable energy resources to meet the renewable  
24 energy resource standards of subsection (c) of Section 1-75 of  
25 the Illinois Power Agency Act, under procurement plans as  
26 approved in accordance with that Section and Section 16-111.5

1 of this Act. Such costs shall include the costs of procuring  
2 the renewable energy resources, as well as the reasonable  
3 costs that the utility incurs as part of the procurement  
4 processes and to implement and comply with plans and processes  
5 approved by the Commission under such Sections. The costs  
6 associated with the purchase of renewable energy resources  
7 shall be allocated across all retail customers in proportion  
8 to the amount of renewable energy resources the utility  
9 procures for such customers through a single, uniform cents  
10 per kilowatt-hour charge applicable to such retail customers,  
11 which shall appear as a separate line item on each such  
12 customer's bill. The credits, costs, and penalties associated  
13 with the self-direct renewable portfolio standard compliance  
14 program described in subparagraph (R) of paragraph (1) of  
15 subsection (c) of Section 1-75 of the Illinois Power Agency  
16 Act shall be allocated to approved eligible self-direct  
17 customers by the utility in a cents per kilowatt-hour credit,  
18 cost, or penalty, which shall appear as a separate line item on  
19 each such customer's bill.

20 Notwithstanding whether the Commission has approved the  
21 initial long-term renewable resources procurement plan as of  
22 June 1, 2017, an electric utility shall place new tariffed  
23 charges into effect beginning with the June 2017 monthly  
24 billing period, to the extent practicable, to begin recovering  
25 the costs of procuring renewable energy resources, as those  
26 charges are calculated under the limitations described in



1 subparagraph (E) of paragraph (1) of subsection (c) of Section  
2 1-75 of the Illinois Power Agency Act. Notwithstanding the  
3 date on which the utility places such new tariffed charges  
4 into effect, the utility shall be permitted to collect the  
5 charges under such tariff as if the tariff had been in effect  
6 beginning with the first day of the June 2017 monthly billing  
7 period. For the delivery years commencing June 1, 2017, June  
8 1, 2018, June 1, 2019, and each delivery year thereafter, the  
9 electric utility shall deposit into a separate interest  
10 bearing account of a financial institution the monies  
11 collected under the tariffed charges. Money collected from  
12 customers for the procurement of renewable energy resources in  
13 a given delivery year may be spent by the utility for the  
14 procurement of renewable resources over any of the following 5  
15 delivery years, after which unspent money shall be credited  
16 back to retail customers. The electric utility shall spend all  
17 money collected in earlier delivery years that has not yet  
18 been returned to customers, first, before spending money  
19 collected in later delivery years. Any interest earned shall  
20 be credited back to retail customers under the reconciliation  
21 proceeding provided for in this subsection (k), provided that  
22 the electric utility shall first be reimbursed from the  
23 interest for the administrative costs that it incurs to  
24 administer and manage the account. Any taxes due on the funds  
25 in the account, or interest earned on it, will be paid from the  
26 account or, if insufficient monies are available in the

1 account, from the monies collected under the tariffed charges  
2 to recover the costs of procuring renewable energy resources.  
3 Monies deposited in the account shall be subject to the  
4 review, reconciliation, and true-up process described in this  
5 subsection (k) that is applicable to the funds collected and  
6 costs incurred for the procurement of renewable energy  
7 resources.

8 The electric utility shall be entitled to recover all of  
9 the costs identified in this subsection (k) through automatic  
10 adjustment clause tariffs applicable to all of the utility's  
11 retail customers that allow the electric utility to adjust its  
12 tariffed charges consistent with this subsection (k). The  
13 determination as to whether any excess funds were collected  
14 during a given delivery year for the purchase of renewable  
15 energy resources, and the crediting of any excess funds back  
16 to retail customers, shall not be made until after the close of  
17 the delivery year, which will ensure that the maximum amount  
18 of funds is available to implement the approved long-term  
19 renewable resources procurement plan during a given delivery  
20 year. The amount of excess funds eligible to be credited back  
21 to retail customers shall be reduced by an amount equal to the  
22 payment obligations required by any contracts entered into by  
23 an electric utility under contracts described in subsection  
24 (b) of Section 1-56 and subsection (c) of Section 1-75 of the  
25 Illinois Power Agency Act, even if such payments have not yet  
26 been made and regardless of the delivery year in which those

1 payment obligations were incurred. Notwithstanding anything to  
2 the contrary, including in tariffs authorized by this  
3 subsection (k) in effect before the effective date of this  
4 amendatory Act of the 102nd General Assembly, all unspent  
5 funds as of May 31, 2021, excluding any funds credited to  
6 customers during any utility billing cycle that commences  
7 prior to the effective date of this amendatory Act of the 102nd  
8 General Assembly, shall remain in the utility account and  
9 shall on a first in, first out basis be used toward utility  
10 payment obligations under contracts described in subsection  
11 (b) of Section 1-56 and subsection (c) of Section 1-75 of the  
12 Illinois Power Agency Act. The electric utility's collections  
13 under such automatic adjustment clause tariffs to recover the  
14 costs of renewable energy resources, zero emission credits  
15 from zero emission facilities, energy storage resources, and  
16 carbon mitigation credits from carbon-free energy resources  
17 shall be subject to separate annual review, reconciliation,  
18 and true-up against actual costs by the Commission under a  
19 procedure that shall be specified in the electric utility's  
20 automatic adjustment clause tariffs and that shall be approved  
21 by the Commission in connection with its approval of such  
22 tariffs. The procedure shall provide that any difference  
23 between the electric utility's collections for energy storage  
24 resources, zero emission credits, and carbon mitigation  
25 credits under the automatic adjustment charges for an annual  
26 period and the electric utility's actual costs of energy

1 storage resources, zero emission credits from zero emission  
2 facilities, and carbon mitigation credits from carbon-free  
3 energy resources for that same annual period shall be refunded  
4 to or collected from, as applicable, the electric utility's  
5 retail customers in subsequent periods.

6 Nothing in this subsection (k) is intended to affect,  
7 limit, or change the right of the electric utility to recover  
8 the costs associated with the procurement of renewable energy  
9 resources for periods commencing before, on, or after June 1,  
10 2017, as otherwise provided in the Illinois Power Agency Act.

11 The funding available under this subsection (k), if any,  
12 for the programs described under subsection (b) of Section  
13 1-56 of the Illinois Power Agency Act shall not reduce the  
14 amount of funding for the programs described in subparagraph  
15 (O) of paragraph (1) of subsection (c) of Section 1-75 of the  
16 Illinois Power Agency Act. If funding is available under this  
17 subsection (k) for programs described under subsection (b) of  
18 Section 1-56 of the Illinois Power Agency Act, then the  
19 long-term renewable resources plan shall provide for the  
20 Agency to procure contracts in an amount that does not exceed  
21 the funding, and the contracts approved by the Commission  
22 shall be executed by the applicable utility or utilities.

23 (1) A utility that has terminated any contract executed  
24 under subsection (d-5) or (d-10) of Section 1-75 of the  
25 Illinois Power Agency Act shall be entitled to recover any  
26 remaining balance associated with the purchase of zero

1 emission credits prior to such termination, and such utility  
2 shall also apply a credit to its retail customer bills in the  
3 event of any over-collection.

4 (m)(1) An electric utility that recovers its costs of  
5 procuring zero emission credits from zero emission facilities  
6 through a cents-per-kilowatthour charge under subsection (k)  
7 of this Section shall be subject to the requirements of this  
8 subsection (m). Notwithstanding anything to the contrary, such  
9 electric utility shall, beginning on April 30, 2018, and each  
10 April 30 thereafter until April 30, 2026, calculate whether  
11 any reduction must be applied to such cents-per-kilowatthour  
12 charge that is paid by retail customers of the electric  
13 utility that have opted out of subsections (a) through (j) of  
14 Section 8-103B of this Act under subsection (l) of Section  
15 8-103B. Such charge shall be reduced for such customers for  
16 the next delivery year commencing on June 1 based on the amount  
17 necessary, if any, to limit the annual estimated average net  
18 increase for the prior calendar year due to the future energy  
19 investment costs to no more than 1.3% of 5.98 cents per  
20 kilowatt-hour, which is the average amount paid per  
21 kilowatthour for electric service during the year ending  
22 December 31, 2015 by Illinois industrial retail customers, as  
23 reported to the Edison Electric Institute.

24 The calculations required by this subsection (m) shall be  
25 made only once for each year, and no subsequent rate impact  
26 determinations shall be made.

1           (2) For purposes of this Section, "future energy  
2 investment costs" shall be calculated by subtracting the  
3 cents-per-kilowatthour charge identified in subparagraph (A)  
4 of this paragraph (2) from the sum of the  
5 cents-per-kilowatthour charges identified in subparagraph (B)  
6 of this paragraph (2):

7           (A) The cents-per-kilowatthour charge identified in  
8 the electric utility's tariff placed into effect under  
9 Section 8-103 of the Public Utilities Act that, on  
10 December 1, 2016, was applicable to those retail customers  
11 that have opted out of subsections (a) through (j) of  
12 Section 8-103B of this Act under subsection (l) of Section  
13 8-103B.

14           (B) The sum of the following cents-per-kilowatthour  
15 charges applicable to those retail customers that have  
16 opted out of subsections (a) through (j) of Section 8-103B  
17 of this Act under subsection (l) of Section 8-103B,  
18 provided that if one or more of the following charges has  
19 been in effect and applied to such customers for more than  
20 one calendar year, then each charge shall be equal to the  
21 average of the charges applied over a period that  
22 commences with the calendar year ending December 31, 2017  
23 and ends with the most recently completed calendar year  
24 prior to the calculation required by this subsection (m):

25           (i) the cents-per-kilowatthour charge to recover  
26 the costs incurred by the utility under subsection

1 (d-5) of Section 1-75 of the Illinois Power Agency  
2 Act, adjusted for any reductions required under this  
3 subsection (m); and

4 (ii) the cents-per-kilowatthour charge to recover  
5 the costs incurred by the utility under Section  
6 16-107.6 of the Public Utilities Act.

7 If no charge was applied for a given calendar year  
8 under item (i) or (ii) of this subparagraph (B), then the  
9 value of the charge for that year shall be zero.

10 (3) If a reduction is required by the calculation  
11 performed under this subsection (m), then the amount of the  
12 reduction shall be multiplied by the number of years reflected  
13 in the averages calculated under subparagraph (B) of paragraph  
14 (2) of this subsection (m). Such reduction shall be applied to  
15 the cents-per-kilowatthour charge that is applicable to those  
16 retail customers that have opted out of subsections (a)  
17 through (j) of Section 8-103B of this Act under subsection (l)  
18 of Section 8-103B beginning with the next delivery year  
19 commencing after the date of the calculation required by this  
20 subsection (m).

21 (4) The electric utility shall file a notice with the  
22 Commission on May 1 of 2018 and each May 1 thereafter until May  
23 1, 2026 containing the reduction, if any, which must be  
24 applied for the delivery year which begins in the year of the  
25 filing. The notice shall contain the calculations made  
26 pursuant to this Section. By October 1 of each year beginning

1 in 2018, each electric utility shall notify the Commission if  
2 it appears, based on an estimate of the calculation required  
3 in this subsection (m), that a reduction will be required in  
4 the next year.

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

6 (220 ILCS 5/16-108.19)

7 Sec. 16-108.19. ~~Division of~~ Integrated Distribution  
8 Planning.

9 (a) The Commission shall employ ~~establish the Division of~~  
10 ~~Integrated Distribution Planning within the Bureau of Public~~  
11 ~~Utilities. The Division shall be staffed by no less than 13~~  
12 professionals, including engineers, rate analysts,  
13 accountants, policy analysts, utility research and analysis  
14 analysts, cybersecurity analysts, informational technology  
15 specialists, ~~and~~ lawyers, and other personnel deemed necessary  
16 and appropriate by the Executive Director to review and  
17 evaluate Integrated Grid Plans, updates to Integrated Grid  
18 Plans, audits, and other duties as assigned. The personnel may  
19 be organized or assigned into departments, bureaus, sections,  
20 or divisions as determined by the Executive Director pursuant  
21 to the authority granted under this Section ~~by the Chief of the~~  
22 ~~Public Utilities Bureau.~~

23 (b) The Division of Integrated Distribution Planning shall  
24 be established by January 1, 2022.

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



1 (220 ILCS 5/16-108.30)

2 Sec. 16-108.30. Energy Transition Assistance Fund.

3 (a) The Energy Transition Assistance Fund is hereby  
4 created as a special fund in the State treasury ~~Treasury~~. The  
5 Energy Transition Assistance Fund is authorized to receive  
6 moneys collected pursuant to this Section. Subject to  
7 appropriation, the Department of Commerce and Economic  
8 Opportunity shall use moneys from the Energy Transition  
9 Assistance Fund consistent with the purposes of this Act.

10 (b) An electric utility serving more than 500,000  
11 customers in the State shall assess an energy transition  
12 assistance charge on all its retail customers for the Energy  
13 Transition Assistance Fund. The utility's total charge shall  
14 be set based upon the value determined by the Department of  
15 Commerce and Economic Opportunity pursuant to subsection (d)  
16 or (e), as applicable, of Section 605-1075 of the Department  
17 of Commerce and Economic Opportunity Law of the Civil  
18 Administrative Code of Illinois. For each utility, the charge  
19 shall be recovered through a single, uniform cents per  
20 kilowatt-hour charge applicable to all retail customers. For  
21 each utility, the charge shall not exceed 1.35% ~~1.3%~~ of the  
22 amount paid per kilowatthour by eligible retail customers  
23 during the year ending May 31, 2009. Beginning January 1,  
24 2028, the limitation shall be increased by an additional 0.636  
25 percentage points of the amount paid per kilowatt-hour by

1 eligible retail customers during the year ending May 31, 2009,  
2 which would collect the equivalent of the average annual  
3 budget of the programs administered by the utilities under  
4 Section 45 of the Electric Vehicle Act for the years 2026  
5 through 2028.

6 (c) Within 75 days of the effective date of this  
7 amendatory Act of the 102nd General Assembly, each electric  
8 utility serving more than 500,000 customers in the State shall  
9 file with the Illinois Commerce Commission tariffs  
10 incorporating the energy transition assistance charge in other  
11 charges stated in such tariffs, which energy transition  
12 assistance charges shall become effective no later than the  
13 beginning of the first billing cycle that begins on or after  
14 January 1, 2022. Each electric utility serving more than  
15 500,000 customers in the State shall, prior to the beginning  
16 of each calendar year starting with calendar year 2023, file  
17 with the Illinois Commerce Commission tariff revisions to  
18 incorporate annual revisions to the energy transition  
19 assistance charge as prescribed by the Department of Commerce  
20 and Economic Opportunity pursuant to Section 605-1075 of the  
21 Department of Commerce and Economic Opportunity Law of the  
22 Civil Administrative Code of Illinois so that such revision  
23 becomes effective no later than the beginning of the first  
24 billing cycle in each respective year.

25 (d) The energy transition assistance charge shall be  
26 considered a charge for public utility service.

1 (e) By the 20th day of the month following the month in  
2 which the charges imposed by this Section were collected, each  
3 electric utility serving more than 500,000 customers in the  
4 State shall remit to Department of Revenue all moneys received  
5 as payment of the energy transition assistance charge on a  
6 return prescribed and furnished by the Department of Revenue  
7 showing such information as the Department of Revenue may  
8 reasonably require. If a customer makes a partial payment, a  
9 public utility may apply such partial payments first to  
10 amounts owed to the utility. No customer may be subjected to  
11 disconnection of his or her utility service for failure to pay  
12 the energy transition assistance charge.

13 If any payment provided for in this subsection exceeds the  
14 electric utility's liabilities under this Act, as shown on an  
15 original return, the Department may authorize the electric  
16 utility to credit such excess payment against liability  
17 subsequently to be remitted to the Department under this Act,  
18 in accordance with reasonable rules adopted by the Department.

19 All the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e,  
20 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13  
21 of the Retailers' Occupation Tax Act that are not inconsistent  
22 with this Act apply, as far as practicable, to the charge  
23 imposed by this Act to the same extent as if those provisions  
24 were included in this Act. References in the incorporated  
25 Sections of the Retailers' Occupation Tax Act to retailers, to  
26 sellers, or to persons engaged in the business of selling

1 tangible personal property mean persons required to remit the  
2 charge imposed under this Act.

3 (f) The Department of Revenue shall deposit into the  
4 Energy Transition Assistance Fund all moneys remitted to it in  
5 accordance with this Section.

6 (g) The Department of Revenue may establish such rules as  
7 it deems necessary to implement this Section.

8 (h) The Department of Commerce and Economic Opportunity  
9 may establish such rules as it deems necessary to implement  
10 this Section.

11 (Source: P.A. 102-662, eff. 9-15-21; 102-1031, eff. 5-27-22.)

12 (220 ILCS 5/16-111.5)

13 Sec. 16-111.5. Provisions relating to procurement.

14 (a) An electric utility that on December 31, 2005 served  
15 at least 100,000 customers in Illinois shall procure power and  
16 energy for its eligible retail customers in accordance with  
17 the applicable provisions set forth in Section 1-75 of the  
18 Illinois Power Agency Act and this Section. Beginning with the  
19 delivery year commencing on June 1, 2017, such electric  
20 utility shall also procure zero emission credits from zero  
21 emission facilities in accordance with the applicable  
22 provisions set forth in Section 1-75 of the Illinois Power  
23 Agency Act, and, for years beginning on or after June 1, 2017,  
24 the utility shall procure renewable energy resources in  
25 accordance with the applicable provisions set forth in Section

1 1-75 of the Illinois Power Agency Act and this Section.  
2 Beginning with the delivery year commencing on June 1, 2022,  
3 an electric utility serving over 3,000,000 customers shall  
4 also procure carbon mitigation credits from carbon-free energy  
5 resources in accordance with the applicable provisions set  
6 forth in Section 1-75 of the Illinois Power Agency Act and this  
7 Section. Beginning with the delivery year commencing on June  
8 1, 2026, an electric utility serving more than 300,000  
9 customers in the State as of January 1, 2019 shall also procure  
10 energy storage resources in accordance with the applicable  
11 provisions of subsection (d-20) of Section 1-75 of the  
12 Illinois Power Agency Act and this Section. A small  
13 multi-jurisdictional electric utility that on December 31,  
14 2005 served less than 100,000 customers in Illinois may elect  
15 to procure power and energy for all or a portion of its  
16 eligible Illinois retail customers in accordance with the  
17 applicable provisions set forth in this Section and Section  
18 1-75 of the Illinois Power Agency Act. This Section shall not  
19 apply to a small multi-jurisdictional utility until such time  
20 as a small multi-jurisdictional utility requests the Illinois  
21 Power Agency to prepare a procurement plan for its eligible  
22 retail customers. "Eligible retail customers" for the purposes  
23 of this Section means those retail customers that purchase  
24 power and energy from the electric utility under fixed-price  
25 bundled service tariffs, other than those retail customers  
26 whose service is declared or deemed competitive under Section

1 16-113 and those other customer groups specified in this  
2 Section, including self-generating customers, customers  
3 electing hourly pricing, or those customers who are otherwise  
4 ineligible for fixed-price bundled tariff service. Except as  
5 otherwise provided for in subsection (b-10), for ~~For~~ those  
6 customers that are excluded from the procurement plan's  
7 electric supply service requirements, ~~and~~ the utility shall  
8 procure any supply requirements, including capacity, ancillary  
9 services, and hourly priced energy, in the applicable markets  
10 as needed to serve those customers, provided that the utility  
11 may include in its procurement plan load requirements for the  
12 load that is associated with those retail customers whose  
13 service has been declared or deemed competitive pursuant to  
14 Section 16-113 of this Act to the extent that those customers  
15 are purchasing power and energy during one of the transition  
16 periods identified in subsection (b) of Section 16-113 of this  
17 Act.

18 (b) A procurement plan shall be prepared for each electric  
19 utility consistent with the applicable requirements of the  
20 Illinois Power Agency Act and this Section. For purposes of  
21 this Section, Illinois electric utilities that are affiliated  
22 by virtue of a common parent company are considered to be a  
23 single electric utility. Small multi-jurisdictional utilities  
24 may request a procurement plan for a portion of or all of its  
25 Illinois load. Each procurement plan shall analyze the  
26 projected balance of supply and demand for those retail

1 customers to be included in the plan's electric supply service  
2 requirements over a 5-year period, with the first planning  
3 year beginning on June 1 of the year following the year in  
4 which the plan is filed. The plan shall specifically identify  
5 the wholesale products to be procured following plan approval,  
6 and shall follow all the requirements set forth in the Public  
7 Utilities Act and all applicable State and federal laws,  
8 statutes, rules, or regulations, as well as Commission orders.  
9 Nothing in this Section precludes consideration of contracts  
10 longer than 5 years and related forecast data. Unless  
11 specified otherwise in this Section, in the procurement plan  
12 or in the implementing tariff, any procurement occurring in  
13 accordance with this plan shall be competitively bid through a  
14 request for proposals process. Approval and implementation of  
15 the procurement plan shall be subject to review and approval  
16 by the Commission according to the provisions set forth in  
17 this Section. A procurement plan shall include each of the  
18 following components:

19 (1) Hourly load analysis. This analysis shall include:

20 (i) multi-year historical analysis of hourly  
21 loads;

22 (ii) switching trends and competitive retail  
23 market analysis;

24 (iii) known or projected changes to future loads;

25 and

26 (iv) growth forecasts by customer class.

1           (2) Analysis of the impact of any demand side and  
2 renewable energy initiatives. This analysis shall include:

3           (i) the impact of demand response programs and  
4 energy efficiency programs, both current and  
5 projected; for small multi-jurisdictional utilities,  
6 the impact of demand response and energy efficiency  
7 programs approved pursuant to Section 8-408 of this  
8 Act, both current and projected; and

9           (ii) supply side needs that are projected to be  
10 offset by purchases of renewable energy resources, if  
11 any.

12           (3) A plan for meeting the expected load requirements  
13 that will not be met through preexisting contracts. This  
14 plan shall include:

15           (i) definitions of the different Illinois retail  
16 customer classes for which supply is being purchased;

17           (ii) the proposed mix of demand-response products  
18 for which contracts will be executed during the next  
19 year. For small multi-jurisdictional electric  
20 utilities that on December 31, 2005 served fewer than  
21 100,000 customers in Illinois, these shall be defined  
22 as demand-response products offered in an energy  
23 efficiency plan approved pursuant to Section 8-408 of  
24 this Act. The cost-effective demand-response measures  
25 shall be procured whenever the cost is lower than  
26 procuring comparable capacity products, provided that



1 such products shall:

2 (A) be procured by a demand-response provider  
3 from those retail customers included in the plan's  
4 electric supply service requirements;

5 (B) at least satisfy the demand-response  
6 requirements of the regional transmission  
7 organization market in which the utility's service  
8 territory is located, including, but not limited  
9 to, any applicable capacity or dispatch  
10 requirements;

11 (C) provide for customers' participation in  
12 the stream of benefits produced by the  
13 demand-response products;

14 (D) provide for reimbursement by the  
15 demand-response provider of the utility for any  
16 costs incurred as a result of the failure of the  
17 supplier of such products to perform its  
18 obligations thereunder; and

19 (E) meet the same credit requirements as apply  
20 to suppliers of capacity, in the applicable  
21 regional transmission organization market;

22 (iii) monthly forecasted system supply  
23 requirements, including expected minimum, maximum, and  
24 average values for the planning period;

25 (iv) the proposed mix and selection of standard  
26 wholesale products for which contracts will be

1           executed during the next year, separately or in  
2           combination, to meet that portion of its load  
3           requirements not met through pre-existing contracts,  
4           including but not limited to monthly 5 x 16 peak period  
5           block energy, monthly off-peak wrap energy, monthly 7  
6           x 24 energy, annual 5 x 16 energy, other standardized  
7           energy or capacity products designed to provide  
8           eligible retail customer benefits from commercially  
9           deployed advanced technologies including but not  
10          limited to high voltage direct current converter  
11          stations, as such term is defined in Section 1-10 of  
12          the Illinois Power Agency Act, whether or not such  
13          product is currently available in wholesale markets,  
14          annual off-peak wrap energy, annual 7 x 24 energy,  
15          monthly capacity, annual capacity, peak load capacity  
16          obligations, capacity purchase plan, and ancillary  
17          services;

18                 (v) proposed term structures for each wholesale  
19          product type included in the proposed procurement plan  
20          portfolio of products; and

21                 (vi) an assessment of the price risk, load  
22          uncertainty, and other factors that are associated  
23          with the proposed procurement plan; this assessment,  
24          to the extent possible, shall include an analysis of  
25          the following factors: contract terms, time frames for  
26          securing products or services, fuel costs, weather

1 patterns, transmission costs, market conditions, and  
2 the governmental regulatory environment; the proposed  
3 procurement plan shall also identify alternatives for  
4 those portfolio measures that are identified as having  
5 significant price risk and mitigation in the form of  
6 additional retail customer and ratepayer price,  
7 reliability, and environmental benefits from  
8 standardized energy products delivered from  
9 commercially deployed advanced technologies,  
10 including, but not limited to, high voltage direct  
11 current converter stations, as such term is defined in  
12 Section 1-10 of the Illinois Power Agency Act, whether  
13 or not such product is currently available in  
14 wholesale markets.

15 (4) Proposed procedures for balancing loads. The  
16 procurement plan shall include, for load requirements  
17 included in the procurement plan, the process for (i)  
18 hourly balancing of supply and demand and (ii) the  
19 criteria for portfolio re-balancing in the event of  
20 significant shifts in load.

21 (5) Long-Term Renewable Resources Procurement Plan.  
22 The Agency shall prepare a long-term renewable resources  
23 procurement plan for the procurement of renewable energy  
24 credits under Sections 1-56 and 1-75 of the Illinois Power  
25 Agency Act for delivery beginning in the 2017 delivery  
26 year.

1           (i) The initial long-term renewable resources  
2 procurement plan and all subsequent revisions shall be  
3 subject to review and approval by the Commission. For  
4 the purposes of this Section, "delivery year" has the  
5 same meaning as in Section 1-10 of the Illinois Power  
6 Agency Act. For purposes of this Section, "Agency"  
7 shall mean the Illinois Power Agency.

8           (ii) The long-term renewable resources planning  
9 process shall be conducted as follows:

10           (A) Electric utilities shall provide a range  
11 of load forecasts to the Illinois Power Agency  
12 within 45 days of the Agency's request for  
13 forecasts, which request shall specify the length  
14 and conditions for the forecasts including, but  
15 not limited to, the quantity of distributed  
16 generation expected to be interconnected for each  
17 year.

18           (B) The Agency shall publish for comment the  
19 initial long-term renewable resources procurement  
20 plan no later than 120 days after the effective  
21 date of this amendatory Act of the 99th General  
22 Assembly and shall review, and may revise, the  
23 plan at least every 2 years thereafter. To the  
24 extent practicable, the Agency shall review and  
25 propose any revisions to the long-term renewable  
26 energy resources procurement plan in conjunction

1 with the Agency's other planning and approval  
2 processes conducted under this Section. Plans may  
3 be released on separate dates, but the Agency  
4 shall, to the extent practicable, release both  
5 plans across a 30-day period. The initial  
6 long-term renewable resources procurement plan  
7 shall:

8 (aa) Identify the procurement programs and  
9 competitive procurement events consistent with  
10 the applicable requirements of the Illinois  
11 Power Agency Act and shall be designed to  
12 achieve the goals set forth in subsection (c)  
13 of Section 1-75 of that Act.

14 (bb) Include a schedule for procurements  
15 for renewable energy credits from  
16 utility-scale wind projects, utility-scale  
17 solar projects, and brownfield site  
18 photovoltaic projects consistent with  
19 subparagraph (G) of paragraph (1) of  
20 subsection (c) of Section 1-75 of the Illinois  
21 Power Agency Act.

22 (cc) Identify the process whereby the  
23 Agency will submit to the Commission for  
24 review and approval the proposed contracts to  
25 implement the programs required by such plan.  
26 If so authorized by the Commission in its

1           order approving the procurement plan, the  
2           procurement plan shall provide that small  
3           multi-jurisdictional electric utilities that, on  
4           December 31, 2005, served fewer than 100,000  
5           customers in Illinois shall, in lieu of serving as  
6           counterparties to contracts for the delivery of  
7           renewable energy credits, instead provide an  
8           amount equivalent to the contracts for the  
9           delivery of renewable energy credits in  
10           collections to utilities that served at least  
11           100,000 customers in Illinois as a compliance  
12           payment for the procurement of additional  
13           renewable energy credits to satisfy that small  
14           multi-jurisdictional electric utility's  
15           obligation for compliance with the goals set forth  
16           in subsection (c) of Section 1-75 of the Illinois  
17           Power Agency Act. This authorization may include  
18           the transfer of existing contract obligations.

19           Copies of the initial long-term renewable  
20           resources procurement plan and all subsequent  
21           revisions shall be posted and made publicly  
22           available on the Agency's and Commission's  
23           websites, and copies shall also be provided to  
24           each affected electric utility. An affected  
25           utility and other interested parties shall have 45  
26           days following the date of posting to provide

1 comment to the Agency on the initial long-term  
2 renewable resources procurement plan and all  
3 subsequent revisions. All comments submitted to  
4 the Agency shall be specific, supported by data or  
5 other detailed analyses, and, if objecting to all  
6 or a portion of the procurement plan, accompanied  
7 by specific alternative wording or proposals. All  
8 comments shall be posted on the Agency's and  
9 Commission's websites. During this 45-day comment  
10 period, the Agency shall hold at least one virtual  
11 or in-person public hearing for ~~within~~ each  
12 utility's service area that is subject to the  
13 requirements of this paragraph (5) for the purpose  
14 of receiving public comment. Within 21 days  
15 following the end of the 45-day review period, the  
16 Agency may revise the long-term renewable  
17 resources procurement plan based on the comments  
18 received and shall file the plan with the  
19 Commission for review and approval.

20 (C) Within 14 days after the filing of the  
21 initial long-term renewable resources procurement  
22 plan or any subsequent revisions, any person  
23 objecting to the plan may file an objection with  
24 the Commission. Within 21 days after the filing of  
25 the plan, the Commission shall determine whether a  
26 hearing is necessary. The Commission shall enter

1           its order confirming or modifying the initial  
2           long-term renewable resources procurement plan or  
3           any subsequent revisions within 120 days after the  
4           filing of the plan by the Illinois Power Agency.

5           (D) The Commission shall approve the initial  
6           long-term renewable resources procurement plan and  
7           any subsequent revisions, including expressly the  
8           forecast used in the plan and taking into account  
9           that funding will be limited to the amount of  
10          revenues actually collected by the utilities, if  
11          the Commission determines that the plan will  
12          reasonably and prudently accomplish the  
13          requirements of Section 1-56 and subsection (c) of  
14          Section 1-75 of the Illinois Power Agency Act. The  
15          Commission shall also approve the process for the  
16          submission, review, and approval of the proposed  
17          contracts to procure renewable energy credits or  
18          implement the programs authorized by the  
19          Commission pursuant to a long-term renewable  
20          resources procurement plan approved under this  
21          Section.

22          In approving any long-term renewable resources  
23          procurement plan after the effective date of this  
24          amendatory Act of the 102nd General Assembly, the  
25          Commission shall approve or modify the Agency's  
26          proposal for minimum equity standards pursuant to



1 subsection (c-10) of Section 1-75 of the Illinois  
2 Power Agency Act. The Commission shall consider  
3 any analysis performed by the Agency in developing  
4 its proposal, including past performance,  
5 availability of equity eligible contractors, and  
6 availability of equity eligible persons at the  
7 time the long-term renewable resources procurement  
8 plan is approved.

9 (iii) The Agency or third parties contracted by  
10 the Agency shall implement all programs authorized by  
11 the Commission in an approved long-term renewable  
12 resources procurement plan without further review and  
13 approval by the Commission. Third parties shall not  
14 begin implementing any programs or receive any payment  
15 under this Section until the Commission has approved  
16 the contract or contracts under the process authorized  
17 by the Commission in item (D) of subparagraph (ii) of  
18 paragraph (5) of this subsection (b) and the third  
19 party and the Agency or utility, as applicable, have  
20 executed the contract. For those renewable energy  
21 credits subject to procurement through a competitive  
22 bid process under the plan or under the initial  
23 forward procurements for wind and solar resources  
24 described in subparagraph (G) of paragraph (1) of  
25 subsection (c) of Section 1-75 of the Illinois Power  
26 Agency Act, the Agency shall follow the procurement

1 process specified in the provisions relating to  
2 electricity procurement in subsections (e) through (i)  
3 of this Section.

4 (iv) An electric utility shall recover its costs  
5 associated with the procurement of renewable energy  
6 credits under this Section and pursuant to subsection  
7 (c-5) of Section 1-75 of the Illinois Power Agency Act  
8 through an automatic adjustment clause tariff under  
9 subsection (k) or a tariff pursuant to subsection  
10 (i-5), as applicable, of Section 16-108 of this Act. A  
11 utility shall not be required to advance any payment  
12 or pay any amounts under this Section that exceed the  
13 actual amount of revenues collected by the utility  
14 under paragraph (6) of subsection (c) of Section 1-75  
15 of the Illinois Power Agency Act, subsection (c-5) of  
16 Section 1-75 of the Illinois Power Agency Act, and  
17 subsection (k) or subsection (i-5), as applicable, of  
18 Section 16-108 of this Act, and contracts executed  
19 under this Section shall expressly incorporate this  
20 limitation.

21 (v) For the public interest, safety, and welfare,  
22 the Agency and the Commission may adopt rules to carry  
23 out the provisions of this Section on an emergency  
24 basis immediately following the effective date of this  
25 amendatory Act of the 99th General Assembly.

26 (vi) On or before July 1 of each year, the

1 Commission shall hold an informal hearing for the  
2 purpose of receiving comments on the prior year's  
3 procurement process and any recommendations for  
4 change.

5 (6) Energy Storage System Resources Procurement Plan.

6 The Agency shall prepare an energy storage system  
7 resources procurement plan for the procurement of energy  
8 storage system resources in compliance with this Section  
9 and subsection (d-20) of Section 1-75 of the Illinois  
10 Power Agency Act.

11 (i) The initial energy storage system resources  
12 procurement plan and all subsequent revisions shall be  
13 subject to review and approval by the Commission. For  
14 the purposes of this paragraph (6), "delivery year"  
15 has the meaning given to that term in Section 1-10 of  
16 the Illinois Power Agency Act, and "Agency" means the  
17 Illinois Power Agency.

18 (ii) The energy storage system resources  
19 procurement planning process shall be conducted as  
20 follows:

21 (A) The Agency shall publish for comment the  
22 initial energy storage system resources  
23 procurement plan no later than June 1, 2027 and  
24 may revise the plan at least every 2 years  
25 thereafter. To the extent practicable, the Agency  
26 shall review and propose any revisions to the

1 energy storage system resources procurement plan  
2 in conjunction with the Agency's long-term  
3 renewable resources procurement plan. The initial  
4 energy storage system resources plan shall:

5 (aa) include a schedule for procurements  
6 for energy storage system resources consistent  
7 with subsection (d-20) of Section 1-75 of the  
8 Illinois Power Agency Act; and

9 (bb) identify the process whereby the  
10 Agency will submit to the Commission for  
11 review and approval the proposed contracts to  
12 implement the programs required by the plan.

13 Copies of the initial energy storage system  
14 resources procurement plan and all subsequent  
15 revisions shall be posted and made publicly  
16 available on the Agency's and Commission's  
17 websites, and copies shall also be provided to  
18 each affected electric utility. An affected  
19 utility and other interested parties shall have 45  
20 days after the date of posting to provide comment  
21 to the Agency on the initial storage system  
22 resources procurement plan and all subsequent  
23 revisions. All comments shall be posted on the  
24 Agency's and the Commission's websites.

25 (B) The Commission shall approve the initial  
26 energy storage system resources procurement plan

1           and any subsequent revisions if the Commission  
2           determines that the plan will reasonably and  
3           prudently accomplish the requirements of  
4           subsection (d-20) of Section 1-75 of the Illinois  
5           Power Agency Act. The Commission shall also  
6           approve the process for the submission, review,  
7           and approval of the proposed contracts to procure  
8           energy storage system resources or implement the  
9           programs authorized by the Commission pursuant to  
10          an energy storage system resources procurement  
11          plan approved under this Section.

12          (iii) The Agency or third parties contracted by  
13          the Agency shall implement all programs authorized by  
14          the Commission in an approved energy storage system  
15          resources procurement plan without further review and  
16          approval by the Commission. Third parties shall not  
17          begin implementing any programs or receive any payment  
18          under this Section until the Commission has approved a  
19          contract under the energy storage system resources  
20          procurement process under this Section.

21          (iv) An electric utility shall recover its prudent  
22          and reasonable costs associated with the procurement  
23          of energy storage system resources procurements under  
24          this Section and under subsection (d-20) of Section  
25          1-75 of the Illinois Power Agency Act through an  
26          automatic adjustment clause tariff under subsection

1           (k) of Section 16-108.

2           (b-5) An electric utility that as of January 1, 2019  
3 served more than 300,000 retail customers in this State shall  
4 purchase renewable energy credits from new renewable energy  
5 facilities constructed at or adjacent to the sites of  
6 coal-fueled electric generating facilities in this State in  
7 accordance with subsection (c-5) of Section 1-75 of the  
8 Illinois Power Agency Act and shall purchase energy storage  
9 credits, or other services as applicable, for energy storage  
10 system resources in accordance with subsection (d-20) of  
11 Section 1-75 of the Illinois Power Agency Act. Except as  
12 expressly provided in this Section, the plans and procedures  
13 for such procurements shall not be included in the procurement  
14 plans provided for in this Section, but rather shall be  
15 conducted and implemented solely in accordance with subsection  
16 (c-5) of Section 1-75 of the Illinois Power Agency Act.

17           (b-10) In recognition of the potential need to facilitate  
18 additional supply to address any resource adequacy challenges  
19 through a stable and competitively neutral cost allocation  
20 mechanism, upon an identification of need by the Commission  
21 pursuant to the integrated resource planning process outlined  
22 in Section 16-201, the procurement plan described in  
23 subsection (b) may also include the procurement of energy,  
24 capacity, environmental attributes, resource adequacy  
25 attributes, or some combination thereof intended to serve all  
26 retail customers. Any procurements proposed under this

1 subsection (b-10) shall feature long-term contracts, shall be  
2 structured to facilitate new and additive supply resources,  
3 and shall be sized to ensure that the substantial majority of  
4 any load-serving entity's supply portfolio is not composed of  
5 contracts awarded under this subsection (b-10).

6 (1) Facilities eligible for long-term contracts under  
7 this subsection (b-10) must be new clean energy resources,  
8 as defined in Section 1-10 of the Illinois Power Agency  
9 Act, including clean generation associated high voltage  
10 direct current transmission facilities, and must qualify  
11 as an accredited capacity resource within the service  
12 areas of PJM Interconnection, LLC, or Midcontinent  
13 Independent System Operator, Inc. For purposes of this  
14 subsection (b-10), "new" means energized on or after the  
15 effective date of this amendatory Act of the 104th General  
16 Assembly.

17 (2) Contracts may take the form of a sourcing  
18 agreement, power purchase agreement, or other instrument  
19 as determined by the Commission in approving the plan, and  
20 may feature fixed or variable pricing structures,  
21 including utilization of a contract for differences in  
22 pricing structure. Contracts may feature both electric  
23 utilities and alternative retail electric suppliers as  
24 counterparties. In approving the contract structure  
25 utilized for any contract awards made pursuant to this  
26 subsection (b-10), the Commission shall prioritize

1 structures that ensure stable, reliable, and competitively  
2 neutral allocations of costs and responsibilities.

3 (3) Purchases made under contracts awarded through  
4 this subsection (b-10) shall be funded in a competitively  
5 neutral manner as determined by the Commission in  
6 approving the plan. To meet contract obligations, the  
7 Commission may order collections from all retail customers  
8 or from all load-serving entities, including alternative  
9 retail electric suppliers as defined in Section 16-102 of  
10 this Act, as a means of ensuring a fair and competitively  
11 neutral allocation of contract costs. In establishing  
12 collections, the Agency may propose and the Commission may  
13 approve adjustments for load-serving entities that have  
14 contracts entered into before the effective date of this  
15 amendatory Act of the 104th General Assembly for energy,  
16 capacity, or environmental attributes.

17 (4) The Agency may propose and the Commission may  
18 approve additional terms, conditions, and requirements  
19 applicable to this procurement process through development  
20 and approval of the Agency's annual electricity  
21 procurement plan.

22 (5) The manner and form for developing contracts,  
23 qualifying potential counterparties, and awarding  
24 contracts shall be proposed as part of the annual  
25 electricity procurement plan described in this subsection  
26 (b-10). However, to the extent practicable, the proposed



1 approach for contract development and award should  
2 endeavor to follow the provisions of subsections (c) and  
3 (e) through (i) of this Section.

4 (6) As further outlined in Section 16-115A, compliance  
5 with any procurement process proposed under this  
6 subsection (b-10) shall be considered a condition of  
7 service for alternative retail electric suppliers.

8 (c) The provisions of this subsection (c) shall not apply  
9 to procurements conducted pursuant to subsection (c-5) of  
10 Section 1-75 of the Illinois Power Agency Act. However, the  
11 Agency may retain a procurement administrator to assist the  
12 Agency in planning and carrying out the procurement events and  
13 implementing the other requirements specified in such  
14 subsection (c-5) of Section 1-75 of the Illinois Power Agency  
15 Act, with the costs incurred by the Agency for the procurement  
16 administrator to be recovered through fees charged to  
17 applicants for selection to sell and deliver renewable energy  
18 credits to electric utilities pursuant to subsection (c-5) of  
19 Section 1-75 of the Illinois Power Agency Act. The procurement  
20 process set forth in Section 1-75 of the Illinois Power Agency  
21 Act and subsection (e) of this Section shall be administered  
22 by a procurement administrator and monitored by a procurement  
23 monitor.

24 (1) The procurement administrator shall:

25 (i) design the final procurement process in  
26 accordance with Section 1-75 of the Illinois Power

1 Agency Act and subsection (e) of this Section  
2 following Commission approval of the procurement plan;

3 (ii) develop benchmarks in accordance with  
4 subsection (e)(3) to be used to evaluate bids; these  
5 benchmarks shall be submitted to the Commission for  
6 review and approval on a confidential basis prior to  
7 the procurement event;

8 (iii) serve as the interface between the electric  
9 utility and suppliers;

10 (iv) manage the bidder pre-qualification and  
11 registration process;

12 (v) obtain the electric utilities' agreement to  
13 the final form of all supply contracts and credit  
14 collateral agreements;

15 (vi) administer the request for proposals process;

16 (vii) have the discretion to negotiate to  
17 determine whether bidders are willing to lower the  
18 price of bids that meet the benchmarks approved by the  
19 Commission; any post-bid negotiations with bidders  
20 shall be limited to price only and shall be completed  
21 within 24 hours after opening the sealed bids and  
22 shall be conducted in a fair and unbiased manner; in  
23 conducting the negotiations, there shall be no  
24 disclosure of any information derived from proposals  
25 submitted by competing bidders; if information is  
26 disclosed to any bidder, it shall be provided to all

1 competing bidders;

2 (viii) maintain confidentiality of supplier and  
3 bidding information in a manner consistent with all  
4 applicable laws, rules, regulations, and tariffs;

5 (ix) submit a confidential report to the  
6 Commission recommending acceptance or rejection of  
7 bids;

8 (x) notify the utility of contract counterparties  
9 and contract specifics; and

10 (xi) administer related contingency procurement  
11 events.

12 (2) The procurement monitor, who shall be retained by  
13 the Commission, shall:

14 (i) monitor interactions among the procurement  
15 administrator, suppliers, and utility;

16 (ii) monitor and report to the Commission on the  
17 progress of the procurement process;

18 (iii) provide an independent confidential report  
19 to the Commission regarding the results of the  
20 procurement event;

21 (iv) assess compliance with the procurement plans  
22 approved by the Commission for each utility that on  
23 December 31, 2005 provided electric service to at  
24 least 100,000 customers in Illinois and for each small  
25 multi-jurisdictional utility that on December 31, 2005  
26 served less than 100,000 customers in Illinois;

1 (v) preserve the confidentiality of supplier and  
2 bidding information in a manner consistent with all  
3 applicable laws, rules, regulations, and tariffs;

4 (vi) provide expert advice to the Commission and  
5 consult with the procurement administrator regarding  
6 issues related to procurement process design, rules,  
7 protocols, and policy-related matters; and

8 (vii) consult with the procurement administrator  
9 regarding the development and use of benchmark  
10 criteria, standard form contracts, credit policies,  
11 and bid documents.

12 (d) Except as provided in subsection (j), the planning  
13 process shall be conducted as follows:

14 (1) Beginning in 2008, each Illinois utility procuring  
15 power pursuant to this Section shall annually provide a  
16 range of load forecasts to the Illinois Power Agency by  
17 July 15 of each year, or such other date as may be required  
18 by the Commission or Agency. The load forecasts shall  
19 cover the 5-year procurement planning period for the next  
20 procurement plan and shall include hourly data  
21 representing a high-load, low-load, and expected-load  
22 scenario for the load of those retail customers included  
23 in the plan's electric supply service requirements. The  
24 utility shall provide supporting data and assumptions for  
25 each of the scenarios.

26 (2) Beginning in 2008, the Illinois Power Agency shall

1 prepare a procurement plan by August 15th of each year, or  
2 such other date as may be required by the Commission. The  
3 procurement plan shall identify the portfolio of  
4 demand-response and power and energy products to be  
5 procured. Cost-effective demand-response measures shall be  
6 procured as set forth in item (iii) of subsection (b) of  
7 this Section. Copies of the procurement plan shall be  
8 posted and made publicly available on the Agency's and  
9 Commission's websites, and copies shall also be provided  
10 to each affected electric utility. An affected utility  
11 shall have 30 days following the date of posting to  
12 provide comment to the Agency on the procurement plan.  
13 Other interested entities also may comment on the  
14 procurement plan. All comments submitted to the Agency  
15 shall be specific, supported by data or other detailed  
16 analyses, and, if objecting to all or a portion of the  
17 procurement plan, accompanied by specific alternative  
18 wording or proposals. All comments shall be posted on the  
19 Agency's and Commission's websites. During this 30-day  
20 comment period, the Agency shall hold at least one virtual  
21 or in-person public hearing for ~~within~~ each utility's  
22 service area for the purpose of receiving public comment  
23 on the procurement plan. Within 14 days following the end  
24 of the 30-day review period, the Agency shall revise the  
25 procurement plan as necessary based on the comments  
26 received and file the procurement plan with the Commission

1 and post the procurement plan on the websites.

2 (3) Within 5 days after the filing of the procurement  
3 plan, any person objecting to the procurement plan shall  
4 file an objection with the Commission. Within 10 days  
5 after the filing, the Commission shall determine whether a  
6 hearing is necessary. The Commission shall enter its order  
7 confirming or modifying the procurement plan within 90  
8 days after the filing of the procurement plan by the  
9 Illinois Power Agency.

10 (4) The Commission shall approve the procurement plan,  
11 including expressly the forecast used in the procurement  
12 plan, if the Commission determines that it will ensure  
13 adequate, reliable, affordable, efficient, and  
14 environmentally sustainable electric service at the lowest  
15 total cost over time, taking into account any benefits of  
16 price stability.

17 (4.5) The Commission shall review the Agency's  
18 recommendations for the selection of applicants to enter  
19 into long-term contracts for the sale and delivery of  
20 renewable energy credits from new renewable energy  
21 facilities to be constructed at or adjacent to the sites  
22 of coal-fueled electric generating facilities in this  
23 State in accordance with the provisions of subsection  
24 (c-5) of Section 1-75 of the Illinois Power Agency Act,  
25 and shall approve the Agency's recommendations if the  
26 Commission determines that the applicants recommended by

1 the Agency for selection, the proposed new renewable  
2 energy facilities to be constructed, the amounts of  
3 renewable energy credits to be delivered pursuant to the  
4 contracts, and the other terms of the contracts, are  
5 consistent with the requirements of subsection (c-5) of  
6 Section 1-75 of the Illinois Power Agency Act.

7 (e) The procurement process shall include each of the  
8 following components:

9 (1) Solicitation, pre-qualification, and registration  
10 of bidders. The procurement administrator shall  
11 disseminate information to potential bidders to promote a  
12 procurement event, notify potential bidders that the  
13 procurement administrator may enter into a post-bid price  
14 negotiation with bidders that meet the applicable  
15 benchmarks, provide supply requirements, and otherwise  
16 explain the competitive procurement process. In addition  
17 to such other publication as the procurement administrator  
18 determines is appropriate, this information shall be  
19 posted on the Illinois Power Agency's and the Commission's  
20 websites. The procurement administrator shall also  
21 administer the prequalification process, including  
22 evaluation of credit worthiness, compliance with  
23 procurement rules, and agreement to the standard form  
24 contract developed pursuant to paragraph (2) of this  
25 subsection (e). The procurement administrator shall then  
26 identify and register bidders to participate in the

1 procurement event.

2 (2) Standard contract forms and credit terms and  
3 instruments. The procurement administrator, in  
4 consultation with the utilities, the Commission, and other  
5 interested parties and subject to Commission oversight,  
6 shall develop and provide standard contract forms for the  
7 supplier contracts that meet generally accepted industry  
8 practices. Standard credit terms and instruments that meet  
9 generally accepted industry practices shall be similarly  
10 developed. The procurement administrator shall make  
11 available to the Commission all written comments it  
12 receives on the contract forms, credit terms, or  
13 instruments. If the procurement administrator cannot reach  
14 agreement with the applicable electric utility as to the  
15 contract terms and conditions, the procurement  
16 administrator must notify the Commission of any disputed  
17 terms and the Commission shall resolve the dispute. The  
18 terms of the contracts shall not be subject to negotiation  
19 by winning bidders, and the bidders must agree to the  
20 terms of the contract in advance so that winning bids are  
21 selected solely on the basis of price.

22 (3) Establishment of a market-based price benchmark.  
23 As part of the development of the procurement process, the  
24 procurement administrator, in consultation with the  
25 Commission staff, Agency staff, and the procurement  
26 monitor, shall establish benchmarks for evaluating the



1 final prices in the contracts for each of the products  
2 that will be procured through the procurement process. The  
3 benchmarks shall be based on price data for similar  
4 products for the same delivery period and same delivery  
5 hub, or other delivery hubs after adjusting for that  
6 difference. The price benchmarks may also be adjusted to  
7 take into account differences between the information  
8 reflected in the underlying data sources and the specific  
9 products and procurement process being used to procure  
10 power for the Illinois utilities. The benchmarks shall be  
11 confidential but shall be provided to, and will be subject  
12 to Commission review and approval, prior to a procurement  
13 event.

14 (4) Request for proposals competitive procurement  
15 process. The procurement administrator shall design and  
16 issue a request for proposals to supply electricity in  
17 accordance with each utility's procurement plan, as  
18 approved by the Commission. The request for proposals  
19 shall set forth a procedure for sealed, binding commitment  
20 bidding with pay-as-bid settlement, and provision for  
21 selection of bids on the basis of price.

22 (5) A plan for implementing contingencies in the event  
23 of supplier default or failure of the procurement process  
24 to fully meet the expected load requirement due to  
25 insufficient supplier participation, Commission rejection  
26 of results, or any other cause.

1           (i) Event of supplier default: In the event of  
2           supplier default, the utility shall review the  
3           contract of the defaulting supplier to determine if  
4           the amount of supply is 200 megawatts or greater, and  
5           if there are more than 60 days remaining of the  
6           contract term. If both of these conditions are met,  
7           and the default results in termination of the  
8           contract, the utility shall immediately notify the  
9           Illinois Power Agency that a request for proposals  
10          must be issued to procure replacement power, and the  
11          procurement administrator shall run an additional  
12          procurement event. If the contracted supply of the  
13          defaulting supplier is less than 200 megawatts or  
14          there are less than 60 days remaining of the contract  
15          term, the utility shall procure power and energy from  
16          the applicable regional transmission organization  
17          market, including ancillary services, capacity, and  
18          day-ahead or real time energy, or both, for the  
19          duration of the contract term to replace the  
20          contracted supply; provided, however, that if a needed  
21          product is not available through the regional  
22          transmission organization market it shall be purchased  
23          from the wholesale market.

24          (ii) Failure of the procurement process to fully  
25          meet the expected load requirement: If the procurement  
26          process fails to fully meet the expected load

1 requirement due to insufficient supplier participation  
2 or due to a Commission rejection of the procurement  
3 results, the procurement administrator, the  
4 procurement monitor, and the Commission staff shall  
5 meet within 10 days to analyze potential causes of low  
6 supplier interest or causes for the Commission  
7 decision. If changes are identified that would likely  
8 result in increased supplier participation, or that  
9 would address concerns causing the Commission to  
10 reject the results of the prior procurement event, the  
11 procurement administrator may implement those changes  
12 and rerun the request for proposals process according  
13 to a schedule determined by those parties and  
14 consistent with Section 1-75 of the Illinois Power  
15 Agency Act and this subsection. In any event, a new  
16 request for proposals process shall be implemented by  
17 the procurement administrator within 90 days after the  
18 determination that the procurement process has failed  
19 to fully meet the expected load requirement.

20 (iii) In all cases where there is insufficient  
21 supply provided under contracts awarded through the  
22 procurement process to fully meet the electric  
23 utility's load requirement, the utility shall meet the  
24 load requirement by procuring power and energy from  
25 the applicable regional transmission organization  
26 market, including ancillary services, capacity, and

1 day-ahead or real time energy, or both; provided,  
2 however, that if a needed product is not available  
3 through the regional transmission organization market  
4 it shall be purchased from the wholesale market.

5 (6) The procurement processes described in this  
6 subsection and in subsection (c-5) of Section 1-75 of the  
7 Illinois Power Agency Act are exempt from the requirements  
8 of the Illinois Procurement Code, pursuant to Section  
9 20-10 of that Code.

10 (f) Within 2 business days after opening the sealed bids,  
11 the procurement administrator shall submit a confidential  
12 report to the Commission. The report shall contain the results  
13 of the bidding for each of the products along with the  
14 procurement administrator's recommendation for the acceptance  
15 and rejection of bids based on the price benchmark criteria  
16 and other factors observed in the process. The procurement  
17 monitor also shall submit a confidential report to the  
18 Commission within 2 business days after opening the sealed  
19 bids. The report shall contain the procurement monitor's  
20 assessment of bidder behavior in the process as well as an  
21 assessment of the procurement administrator's compliance with  
22 the procurement process and rules. The Commission shall review  
23 the confidential reports submitted by the procurement  
24 administrator and procurement monitor, and shall accept or  
25 reject the recommendations of the procurement administrator  
26 within 2 business days after receipt of the reports.

1           (g) Within 3 business days after the Commission decision  
2 approving the results of a procurement event, the utility  
3 shall enter into binding contractual arrangements with the  
4 winning suppliers using the standard form contracts; except  
5 that the utility shall not be required either directly or  
6 indirectly to execute the contracts if a tariff that is  
7 consistent with subsection (1) of this Section has not been  
8 approved and placed into effect for that utility.

9           (h) For the procurement of standard wholesale products,  
10 the names of the successful bidders and the load weighted  
11 average of the winning bid prices for each contract type and  
12 for each contract term shall be made available to the public at  
13 the time of Commission approval of a procurement event. For  
14 procurements conducted to meet the requirements of subsection  
15 (b) of Section 1-56 or subsection (c) of Section 1-75 of the  
16 Illinois Power Agency Act governed by the provisions of this  
17 Section, the address and nameplate capacity of the new  
18 renewable energy generating facility proposed by a winning  
19 bidder shall also be made available to the public at the time  
20 of Commission approval of a procurement event, along with the  
21 business address and contact information for any winning  
22 bidder. An estimate or approximation of the nameplate capacity  
23 of the new renewable energy generating facility may be  
24 disclosed if necessary to protect the confidentiality of  
25 individual bid prices.

26           The Commission, the procurement monitor, the procurement

1 administrator, the Illinois Power Agency, and all participants  
2 in the procurement process shall maintain the confidentiality  
3 of all other supplier and bidding information in a manner  
4 consistent with all applicable laws, rules, regulations, and  
5 tariffs. Confidential information, including the confidential  
6 reports submitted by the procurement administrator and  
7 procurement monitor pursuant to subsection (f) of this  
8 Section, shall not be made publicly available and shall not be  
9 discoverable by any party in any proceeding, absent a  
10 compelling demonstration of need, nor shall those reports be  
11 admissible in any proceeding other than one for law  
12 enforcement purposes.

13 For procurements conducted to meet the requirements of  
14 subsection (b) of Section 1-56 or subsection (c) of Section  
15 1-75 of the Illinois Power Agency Act, the Illinois Power  
16 Agency may release aggregated information related to  
17 participation levels across product types and the basis of  
18 rejection for non-accepted bids if the Commission, the  
19 procurement monitor, the procurement administrator, and the  
20 Illinois Power Agency determine that the release of this  
21 information would not result in the disclosure of confidential  
22 bid information or negatively impact the competitiveness of  
23 future renewable energy credit procurements. The Agency may  
24 also release information about the development status of new  
25 renewable energy projects under contract and project-specific  
26 information about renewable energy credit delivery quantities

1 for projects under contract if the Commission, the procurement  
2 monitor, the procurement administrator, and the Illinois Power  
3 Agency determine that the release of this information would  
4 not result in the disclosure of confidential bid information  
5 or negatively impact the competitiveness of future renewable  
6 energy credit procurements.

7 (i) Within 2 business days after a Commission decision  
8 approving the results of a procurement event or such other  
9 date as may be required by the Commission from time to time,  
10 the utility shall file for informational purposes with the  
11 Commission its actual or estimated retail supply charges, as  
12 applicable, by customer supply group reflecting the costs  
13 associated with the procurement and computed in accordance  
14 with the tariffs filed pursuant to subsection (l) of this  
15 Section and approved by the Commission.

16 (j) Within 60 days following August 28, 2007 (the  
17 effective date of Public Act 95-481), each electric utility  
18 that on December 31, 2005 provided electric service to at  
19 least 100,000 customers in Illinois shall prepare and file  
20 with the Commission an initial procurement plan, which shall  
21 conform in all material respects to the requirements of the  
22 procurement plan set forth in subsection (b); provided,  
23 however, that the Illinois Power Agency Act shall not apply to  
24 the initial procurement plan prepared pursuant to this  
25 subsection. The initial procurement plan shall identify the  
26 portfolio of power and energy products to be procured and

1 delivered for the period June 2008 through May 2009, and shall  
2 identify the proposed procurement administrator, who shall  
3 have the same experience and expertise as is required of a  
4 procurement administrator hired pursuant to Section 1-75 of  
5 the Illinois Power Agency Act. Copies of the procurement plan  
6 shall be posted and made publicly available on the  
7 Commission's website. The initial procurement plan may include  
8 contracts for renewable resources that extend beyond May 2009.

9 (i) Within 14 days following filing of the initial  
10 procurement plan, any person may file a detailed objection  
11 with the Commission contesting the procurement plan  
12 submitted by the electric utility. All objections to the  
13 electric utility's plan shall be specific, supported by  
14 data or other detailed analyses. The electric utility may  
15 file a response to any objections to its procurement plan  
16 within 7 days after the date objections are due to be  
17 filed. Within 7 days after the date the utility's response  
18 is due, the Commission shall determine whether a hearing  
19 is necessary. If it determines that a hearing is  
20 necessary, it shall require the hearing to be completed  
21 and issue an order on the procurement plan within 60 days  
22 after the filing of the procurement plan by the electric  
23 utility.

24 (ii) The order shall approve or modify the procurement  
25 plan, approve an independent procurement administrator,  
26 and approve or modify the electric utility's tariffs that



1 are proposed with the initial procurement plan. The  
2 Commission shall approve the procurement plan if the  
3 Commission determines that it will ensure adequate,  
4 reliable, affordable, efficient, and environmentally  
5 sustainable electric service at the lowest total cost over  
6 time, taking into account any benefits of price stability.

7 (k) (Blank).

8 (k-5) (Blank).

9 (l) An electric utility shall recover its costs incurred  
10 under this Section and subsection (c-5) of Section 1-75 of the  
11 Illinois Power Agency Act, including, but not limited to, the  
12 costs of procuring power and energy demand-response resources  
13 under this Section and its costs for purchasing renewable  
14 energy credits pursuant to subsection (c-5) of Section 1-75 of  
15 the Illinois Power Agency Act. The utility shall file with the  
16 initial procurement plan its proposed tariffs through which  
17 its costs of procuring power that are incurred pursuant to a  
18 Commission-approved procurement plan and those other costs  
19 identified in this subsection (l), will be recovered. The  
20 tariffs shall include a formula rate or charge designed to  
21 pass through both the costs incurred by the utility in  
22 procuring a supply of electric power and energy for the  
23 applicable customer classes with no mark-up or return on the  
24 price paid by the utility for that supply, plus any just and  
25 reasonable costs that the utility incurs in arranging and  
26 providing for the supply of electric power and energy. The

1 formula rate or charge shall also contain provisions that  
2 ensure that its application does not result in over or under  
3 recovery due to changes in customer usage and demand patterns,  
4 and that provide for the correction, on at least an annual  
5 basis, of any accounting errors that may occur. A utility  
6 shall recover through the tariff all reasonable costs incurred  
7 to implement or comply with any procurement plan that is  
8 developed and put into effect pursuant to Section 1-75 of the  
9 Illinois Power Agency Act and this Section, and for the  
10 procurement of renewable energy credits pursuant to subsection  
11 (c-5) of Section 1-75 of the Illinois Power Agency Act,  
12 including any fees assessed by the Illinois Power Agency,  
13 costs associated with load balancing, and contingency plan  
14 costs. The electric utility shall also recover its full costs  
15 of procuring electric supply for which it contracted before  
16 the effective date of this Section in conjunction with the  
17 provision of full requirements service under fixed-price  
18 bundled service tariffs subsequent to December 31, 2006. All  
19 such costs shall be deemed to have been prudently incurred.  
20 The pass-through tariffs that are filed and approved pursuant  
21 to this Section shall not be subject to review under, or in any  
22 way limited by, Section 16-111(i) of this Act. All of the costs  
23 incurred by the electric utility associated with the purchase  
24 of zero emission credits in accordance with subsection (d-5)  
25 of Section 1-75 of the Illinois Power Agency Act, all costs  
26 incurred by the electric utility associated with the purchase

1 of carbon mitigation credits in accordance with subsection  
2 (d-10) of Section 1-75 of the Illinois Power Agency Act, and,  
3 beginning June 1, 2017, all of the costs incurred by the  
4 electric utility associated with the purchase of renewable  
5 energy resources in accordance with Sections 1-56 and 1-75 of  
6 the Illinois Power Agency Act, and all of the costs incurred by  
7 the electric utility in purchasing renewable energy credits in  
8 accordance with subsection (c-5) of Section 1-75 of the  
9 Illinois Power Agency Act, shall be recovered through the  
10 electric utility's tariffed charges applicable to all of its  
11 retail customers, as specified in subsection (k) or subsection  
12 (i-5), as applicable, of Section 16-108 of this Act, and shall  
13 not be recovered through the electric utility's tariffed  
14 charges for electric power and energy supply to its eligible  
15 retail customers.

16 (m) The Commission has the authority to adopt rules to  
17 carry out the provisions of this Section. For the public  
18 interest, safety, and welfare, the Commission also has  
19 authority to adopt rules to carry out the provisions of this  
20 Section on an emergency basis immediately following August 28,  
21 2007 (the effective date of Public Act 95-481).

22 (n) Notwithstanding any other provision of this Act, any  
23 affiliated electric utilities that submit a single procurement  
24 plan covering their combined needs may procure for those  
25 combined needs in conjunction with that plan, and may enter  
26 jointly into power supply contracts, purchases, and other

1 procurement arrangements, and allocate capacity and energy and  
2 cost responsibility therefor among themselves in proportion to  
3 their requirements.

4 (o) On or before June 1 of each year, the Commission shall  
5 hold an informal hearing for the purpose of receiving comments  
6 on the prior year's procurement process and any  
7 recommendations for change.

8 (p) An electric utility subject to this Section may  
9 propose to invest, lease, own, or operate an electric  
10 generation facility as part of its procurement plan, provided  
11 the utility demonstrates that such facility is the least-cost  
12 option to provide electric service to those retail customers  
13 included in the plan's electric supply service requirements.  
14 If the facility is shown to be the least-cost option and is  
15 included in a procurement plan prepared in accordance with  
16 Section 1-75 of the Illinois Power Agency Act and this  
17 Section, then the electric utility shall make a filing  
18 pursuant to Section 8-406 of this Act, and may request of the  
19 Commission any statutory relief required thereunder. If the  
20 Commission grants all of the necessary approvals for the  
21 proposed facility, such supply shall thereafter be considered  
22 as a pre-existing contract under subsection (b) of this  
23 Section. The Commission shall in any order approving a  
24 proposal under this subsection specify how the utility will  
25 recover the prudently incurred costs of investing in, leasing,  
26 owning, or operating such generation facility through just and

1 reasonable rates charged to those retail customers included in  
2 the plan's electric supply service requirements. Cost recovery  
3 for facilities included in the utility's procurement plan  
4 pursuant to this subsection shall not be subject to review  
5 under or in any way limited by the provisions of Section  
6 16-111(i) of this Act. Nothing in this Section is intended to  
7 prohibit a utility from filing for a fuel adjustment clause as  
8 is otherwise permitted under Section 9-220 of this Act.

9 (q) If the Illinois Power Agency filed with the  
10 Commission, under Section 16-111.5 of this Act, its proposed  
11 procurement plan for the period commencing June 1, 2017, and  
12 the Commission has not yet entered its final order approving  
13 the plan on or before the effective date of this amendatory Act  
14 of the 99th General Assembly, then the Illinois Power Agency  
15 shall file a notice of withdrawal with the Commission, after  
16 the effective date of this amendatory Act of the 99th General  
17 Assembly, to withdraw the proposed procurement of renewable  
18 energy resources to be approved under the plan, other than the  
19 procurement of renewable energy credits from distributed  
20 renewable energy generation devices using funds previously  
21 collected from electric utilities' retail customers that take  
22 service pursuant to electric utilities' hourly pricing tariff  
23 or tariffs and, for an electric utility that serves less than  
24 100,000 retail customers in the State, other than the  
25 procurement of renewable energy credits from distributed  
26 renewable energy generation devices. Upon receipt of the

1 notice, the Commission shall enter an order that approves the  
2 withdrawal of the proposed procurement of renewable energy  
3 resources from the plan. The initially proposed procurement of  
4 renewable energy resources shall not be approved or be the  
5 subject of any further hearing, investigation, proceeding, or  
6 order of any kind.

7 This amendatory Act of the 99th General Assembly preempts  
8 and supersedes any order entered by the Commission that  
9 approved the Illinois Power Agency's procurement plan for the  
10 period commencing June 1, 2017, to the extent it is  
11 inconsistent with the provisions of this amendatory Act of the  
12 99th General Assembly. To the extent any previously entered  
13 order approved the procurement of renewable energy resources,  
14 the portion of that order approving the procurement shall be  
15 void, other than the procurement of renewable energy credits  
16 from distributed renewable energy generation devices using  
17 funds previously collected from electric utilities' retail  
18 customers that take service under electric utilities' hourly  
19 pricing tariff or tariffs and, for an electric utility that  
20 serves less than 100,000 retail customers in the State, other  
21 than the procurement of renewable energy credits for  
22 distributed renewable energy generation devices.

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

24 (220 ILCS 5/16-111.7)

25 Sec. 16-111.7. On-bill financing program; electric

1 utilities.

2 (a) The Illinois General Assembly finds that Illinois  
3 homes and businesses have the potential to save energy through  
4 conservation and cost-effective energy efficiency measures.  
5 Programs created pursuant to this Section will allow utility  
6 customers to purchase cost-effective energy efficiency  
7 measures, including measures set forth in a  
8 Commission-approved energy efficiency and demand-response plan  
9 under Section 8-103 or 8-103B of this Act, with no required  
10 initial upfront payment, and to pay the cost of those products  
11 and services over time on their utility bill.

12 (b) Notwithstanding any other provision of this Act, an  
13 electric utility serving more than 100,000 customers on  
14 January 1, 2009 shall offer a Commission-approved on-bill  
15 financing program ("program") that allows its eligible retail  
16 customers, as that term is defined in Section 16-111.5 of this  
17 Act, who own a residential single family home, duplex, or  
18 other residential building with 4 or less units, or  
19 condominium at which the electric service is being provided  
20 (i) to borrow funds from a third party lender in order to  
21 purchase electric energy efficiency measures approved under  
22 the program for installation in such home or condominium  
23 without any required upfront payment and (ii) to pay back such  
24 funds over time through the electric utility's bill. Based  
25 upon the process described in subsection (b-5) of this  
26 Section, small commercial customers who own the premises at

1 which electric service is being provided may be included in  
2 such program. After receiving a request from an electric  
3 utility for approval of a proposed program and tariffs  
4 pursuant to this Section, the Commission shall render its  
5 decision within 120 days. If no decision is rendered within  
6 120 days, then the request shall be deemed to be approved.

7 Beginning no later than December 31, 2013, an electric  
8 utility subject to this subsection (b) shall also offer its  
9 program to eligible retail customers that own multifamily  
10 residential or mixed-use buildings with no more than 50  
11 residential units, provided, however, that such customers must  
12 either be a residential customer or small commercial customer  
13 and may not use the program in such a way that repayment of the  
14 cost of energy efficiency measures is made through tenants'  
15 utility bills. An electric utility may impose a per site loan  
16 limit not to exceed \$150,000. The program, and loans issued  
17 thereunder, shall only be offered to customers of the utility  
18 that meet the requirements of this Section and that also have  
19 an electric service account at the premises where the energy  
20 efficiency measures being financed shall be installed.  
21 Beginning no later than 2 years after the effective date of  
22 this amendatory Act of the 99th General Assembly, the 50  
23 residential unit limitation described in this paragraph shall  
24 no longer apply, and the utility shall replace the per site  
25 loan limit of \$150,000 with a loan limit that correlates to a  
26 maximum monthly payment that does not exceed 50% of the



1 customer's average utility bill over the prior 12-month  
2 period.

3 Beginning no later than 2 years after the effective date  
4 of this amendatory Act of the 99th General Assembly, an  
5 electric utility subject to this subsection (b) shall also  
6 offer its program to eligible retail customers that are Unit  
7 Owners' Associations, as defined in subsection (o) of Section  
8 2 of the Condominium Property Act, or Master Associations, as  
9 defined in subsection (u) of the Condominium Property Act.  
10 However, such customers must either be residential customers  
11 or small commercial customers and may not use the program in  
12 such a way that repayment of the cost of energy efficiency  
13 measures is made through unit owners' utility bills. The  
14 program and loans issued under the program shall only be  
15 offered to customers of the utility that meet the requirements  
16 of this Section and that also have an electric service account  
17 at the premises where the energy efficiency measures being  
18 financed shall be installed.

19 For purposes of this Section, "small commercial customer"  
20 means, for an electric utility serving more than 3,000,000  
21 retail customers, those customers having peak demand of less  
22 than 100 kilowatts, and, for an electric utility serving less  
23 than 3,000,000 retail customers, those customers having peak  
24 demand of less than 150 kilowatts; provided, however, that in  
25 the event the Commission, after the effective date of this  
26 amendatory Act of the 98th General Assembly, approves changes

1 to a utility's tariffs that reflects new or revised demand  
2 criteria for the utility's customer rate classifications, then  
3 the utility may file a petition with the Commission to revise  
4 the applicable definition of a small commercial customer to  
5 reflect the new or revised demand criteria for the purposes of  
6 this Section. After notice and hearing, the Commission shall  
7 enter an order approving, or approving with modification, the  
8 revised definition within 60 days after the utility files the  
9 petition.

10 (b-5) Within 30 days after the effective date of this  
11 amendatory Act of the 96th General Assembly, the Commission  
12 shall convene a workshop process during which interested  
13 participants may discuss issues related to the program,  
14 including program design, eligible electric energy efficiency  
15 measures, vendor qualifications, and a methodology for  
16 ensuring ongoing compliance with such qualifications,  
17 financing, sample documents such as request for proposals,  
18 contracts and agreements, dispute resolution, pre-installment  
19 and post-installment verification, and evaluation. The  
20 workshop process shall be completed within 150 days after the  
21 effective date of this amendatory Act of the 96th General  
22 Assembly.

23 (c) Not later than 60 days following completion of the  
24 workshop process described in subsection (b-5) of this  
25 Section, each electric utility subject to subsection (b) of  
26 this Section shall submit a proposed program to the Commission

1 that contains the following components:

2 (1) A list of recommended electric energy efficiency  
3 measures that will be eligible for on-bill financing. An  
4 eligible electric energy efficiency measure ("measure")  
5 shall be a product or service for which one or more of the  
6 following is true:

7 (A) (blank);

8 (B) the projected electricity savings (determined  
9 by rates in effect at the time of purchase) are  
10 sufficient to cover the costs of implementing the  
11 measures, including finance charges and any program  
12 fees not recovered pursuant to subsection (f) of this  
13 Section; or

14 (C) the product or service is included in a  
15 Commission-approved energy efficiency and  
16 demand-response plan under Section 8-103 or 8-103B of  
17 this Act.

18 (1.5) Beginning no later than 2 years after the  
19 effective date of this amendatory Act of the 99th General  
20 Assembly, an eligible electric energy efficiency measure  
21 (measure) shall be a product or service that qualifies  
22 under subparagraph (B) or (C) of paragraph (1) of this  
23 subsection (c) or for which one or more of the following is  
24 true:

25 (A) a building energy assessment, performed by an  
26 energy auditor who is certified by the Building

1 Performance Institute or who holds a similar  
2 certification, has recommended the product or service  
3 as likely to be cost effective over the course of its  
4 installed life for the building in which the measure  
5 is to be installed; or

6 (B) the product or service is necessary to safely  
7 or correctly install to code or industry standard an  
8 efficiency measure, including, but not limited to,  
9 installation work; changes needed to plumbing or  
10 electrical connections; upgrades to wiring or  
11 fixtures; removal of hazardous materials; correction  
12 of leaks; changes to thermostats, controls, or similar  
13 devices; and changes to venting or exhaust  
14 necessitated by the measure. However, the costs of the  
15 product or service described in this subparagraph (B)  
16 shall not exceed 25% of the total cost of installing  
17 the measure.

18 (2) The electric utility shall issue a request for  
19 proposals ("RFP") to lenders for purposes of providing  
20 financing to participants to pay for approved measures.  
21 The RFP criteria shall include, but not be limited to, the  
22 interest rate, origination fees, and credit terms. The  
23 utility shall select the winning bidders based on its  
24 evaluation of these criteria, with a preference for those  
25 bids containing the rates, fees, and terms most favorable  
26 to participants;

1           (3) The utility shall work with the lenders selected  
2           pursuant to the RFP process, and with vendors, to  
3           establish the terms and processes pursuant to which a  
4           participant can purchase eligible electric energy  
5           efficiency measures using the financing obtained from the  
6           lender. The vendor shall explain and offer the approved  
7           financing packaging to those customers identified in  
8           subsection (b) of this Section and shall assist customers  
9           in applying for financing. As part of the process, vendors  
10          shall also provide to participants information about any  
11          other incentives that may be available for the measures.

12          (4) The lender shall conduct credit checks or  
13          undertake other appropriate measures to limit credit risk,  
14          and shall review and approve or deny financing  
15          applications submitted by customers identified in  
16          subsection (b) of this Section. Following the lender's  
17          approval of financing and the participant's purchase of  
18          the measure or measures, the lender shall forward payment  
19          information to the electric utility, and the utility shall  
20          add as a separate line item on the participant's utility  
21          bill a charge showing the amount due under the program  
22          each month.

23          (5) A loan issued to a participant pursuant to the  
24          program shall be the sole responsibility of the  
25          participant, and any dispute that may arise concerning the  
26          loan's terms, conditions, or charges shall be resolved

1 between the participant and lender. Upon transfer of the  
2 property title for the premises at which the participant  
3 receives electric service from the utility or the  
4 participant's request to terminate service at such  
5 premises, the participant shall pay in full its electric  
6 utility bill, including all amounts due under the program,  
7 provided that this obligation may be modified as provided  
8 in subsection (g) of this Section. Amounts due under the  
9 program shall be deemed amounts owed for residential and,  
10 as appropriate, small commercial electric service.

11 (6) The electric utility shall remit payment in full  
12 to the lender each month on behalf of the participant. In  
13 the event a participant defaults on payment of its  
14 electric utility bill, the electric utility shall continue  
15 to remit all payments due under the program to the lender,  
16 and the utility shall be entitled to recover all costs  
17 related to a participant's nonpayment through the  
18 automatic adjustment clause tariff established pursuant to  
19 Section 16-111.8 of this Act. In addition, the electric  
20 utility shall retain a security interest in the measure or  
21 measures purchased under the program, and the utility  
22 retains its right to disconnect a participant that  
23 defaults on the payment of its utility bill.

24 (7) The total outstanding amount financed under the  
25 program in this subsection and subsection (c-5) of this  
26 Section shall not exceed \$2.5 million for an electric

1 utility or electric utilities under a single holding  
2 company, provided that the electric utility or electric  
3 utilities may petition the Commission for an increase in  
4 such amount. Beginning after the effective date of this  
5 amendatory Act of the 99th General Assembly, the total  
6 maximum outstanding amount financed under the program in  
7 this subsection and subsections (c-5) and (c-10) of this  
8 Section shall increase by \$5,000,000 per year until such  
9 time as the total maximum outstanding amount financed  
10 reaches \$20,000,000. For purposes of this Section,  
11 "maximum outstanding amount financed" means the sum of all  
12 principal that has been loaned and not yet repaid.

13 (c-5) Within 120 days after the effective date of this  
14 amendatory Act of the 98th General Assembly, each electric  
15 utility subject to the requirements of this Section shall  
16 submit an informational filing to the Commission that  
17 describes its plan for implementing the provisions of this  
18 amendatory Act of the 98th General Assembly on or before  
19 December 31, 2013. Such filing shall also describe how the  
20 electric utility shall coordinate its program with any gas  
21 utility or utilities that provide gas service to buildings  
22 within the electric utility's service territory so that it is  
23 practical and feasible for the owner of a multifamily building  
24 to make a single application to access loans for both gas and  
25 electric energy efficiency measures in any individual  
26 building.

1 (c-10) No later than 365 days after the effective date of  
2 this amendatory Act of the 99th General Assembly, each  
3 electric utility subject to the requirements of this Section  
4 shall submit an informational filing to the Commission that  
5 describes its plan for implementing the provisions of this  
6 amendatory Act of the 99th General Assembly that were  
7 incorporated into this Section. Such filing shall also include  
8 the criteria to be used by the program for determining if  
9 measures to be financed are eligible electric energy  
10 efficiency measures, as defined by paragraph (1.5) of  
11 subsection (c) of this Section.

12 (d) A program approved by the Commission shall also  
13 include the following criteria and guidelines for such  
14 program:

15 (1) guidelines for financing of measures installed  
16 under a program, including, but not limited to, RFP  
17 criteria and limits on both individual loan amounts and  
18 the duration of the loans;

19 (2) criteria and standards for identifying and  
20 approving measures;

21 (3) qualifications of vendors that will market or  
22 install measures, as well as a methodology for ensuring  
23 ongoing compliance with such qualifications;

24 (4) sample contracts and agreements necessary to  
25 implement the measures and program; and

26 (5) the types of data and information that utilities



1 and vendors participating in the program shall collect for  
2 purposes of preparing the reports required under  
3 subsection (g) of this Section.

4 (e) The proposed program submitted by each electric  
5 utility shall be consistent with the provisions of this  
6 Section that define operational, financial and billing  
7 arrangements between and among program participants, vendors,  
8 lenders, and the electric utility.

9 (f) An electric utility shall recover all of the prudently  
10 incurred costs of offering a program approved by the  
11 Commission pursuant to this Section, including, but not  
12 limited to, all start-up and administrative costs and the  
13 costs for program evaluation. All prudently incurred costs  
14 under this Section shall be recovered from the residential and  
15 small commercial retail customer classes eligible to  
16 participate in the program through the automatic adjustment  
17 clause tariff established pursuant to Section 8-103 or 8-103B  
18 of this Act.

19 (g) An independent evaluation of a program shall be  
20 conducted after 3 years of the program's operation. The  
21 electric utility shall retain an independent evaluator who  
22 shall evaluate the effects of the measures installed under the  
23 program and the overall operation of the program, including,  
24 but not limited to, customer eligibility criteria and whether  
25 the payment obligation for permanent electric energy  
26 efficiency measures that will continue to provide benefits of

1 energy savings should attach to the meter location. As part of  
2 the evaluation process, the evaluator shall also solicit  
3 feedback from participants and interested stakeholders. The  
4 evaluator shall issue a report to the Commission on its  
5 findings no later than 4 years after the date on which the  
6 program commenced, and the Commission shall issue a report to  
7 the Governor and General Assembly including a summary of the  
8 information described in this Section as well as its  
9 recommendations as to whether the program should be  
10 discontinued, continued with modification or modifications or  
11 continued without modification, provided that any recommended  
12 modifications shall only apply prospectively and to measures  
13 not yet installed or financed.

14 (h) An electric utility offering a Commission-approved  
15 program pursuant to this Section shall not be required to  
16 comply with any other statute, order, rule, or regulation of  
17 this State that may relate to the offering of such program,  
18 provided that nothing in this Section is intended to limit the  
19 electric utility's obligation to comply with this Act and the  
20 Commission's orders, rules, and regulations, including Part  
21 280 of Title 83 of the Illinois Administrative Code.

22 (i) The source of a utility customer's electric supply  
23 shall not disqualify a customer from participation in the  
24 utility's on-bill financing program. Customers of alternative  
25 retail electric suppliers may participate in the program under  
26 the same terms and conditions applicable to the utility's

1 supply customers.

2 (j) This Section is repealed on January 1, 2027.

3 (Source: P.A. 98-586, eff. 8-27-13; 99-906, eff. 6-1-17.)

4 (220 ILCS 5/16-115A)

5 Sec. 16-115A. Obligations of alternative retail electric  
6 suppliers.

7 (a) An alternative retail electric supplier:

8 (i) shall comply with the requirements imposed on  
9 public utilities by Sections 8-201 through 8-207, 8-301,  
10 8-505 and 8-507 of this Act, to the extent that these  
11 Sections have application to the services being offered by  
12 the alternative retail electric supplier;

13 (ii) shall continue to comply with the requirements  
14 for certification stated in subsection (d) of Section  
15 16-115;

16 (iii) by May 31, 2020 and every June 30 thereafter,  
17 shall submit to the Commission and the Office of the  
18 Attorney General the rates the retail electric supplier  
19 charged to residential customers in the prior year,  
20 including each distinct rate charged and whether the rate  
21 was a fixed or variable rate, the basis for the variable  
22 rate, and any fees charged in addition to the supply rate,  
23 including monthly fees, flat fees, or other service  
24 charges; ~~and~~

25 (iv) shall make publicly available on its website,

1 without the need for a customer login, rate information  
2 for all of its variable, time-of-use, and fixed rate  
3 contracts currently available to residential customers,  
4 including, but not limited to, fixed monthly charges,  
5 early termination fees, and kilowatt-hour charges;~~;~~

6 (v) shall provide to the Commission, in the form and  
7 manner requested, the information necessary for the  
8 Commission to compile and submit the integrated resource  
9 plan required under Section 16-201; and

10 (vi) shall comply with the Commission's determinations  
11 made pursuant to subsection (b-10) of Section 16-111.5,  
12 including, but not limited to, the imposition of any  
13 collections, the execution of any contracts, and the  
14 required performance under any contracts developed  
15 thereunder.

16 (b) An alternative retail electric supplier shall obtain  
17 verifiable authorization from a customer, in a form or manner  
18 approved by the Commission consistent with Section 2EE of the  
19 Consumer Fraud and Deceptive Business Practices Act, before  
20 the customer is switched from another supplier.

21 (c) No alternative retail electric supplier, or electric  
22 utility other than the electric utility in whose service area  
23 a customer is located, shall (i) enter into or employ any  
24 arrangements which have the effect of preventing a retail  
25 customer with a maximum electrical demand of less than one  
26 megawatt from having access to the services of the electric

1 utility in whose service area the customer is located or (ii)  
2 charge retail customers for such access. This subsection shall  
3 not be construed to prevent an arms-length agreement between a  
4 supplier and a retail customer that sets a term of service,  
5 notice period for terminating service and provisions governing  
6 early termination through a tariff or contract as allowed by  
7 Section 16-119.

8 (d) An alternative retail electric supplier that is  
9 certified to serve residential or small commercial retail  
10 customers shall not:

11 (1) deny service to a customer or group of customers  
12 nor establish any differences as to prices, terms,  
13 conditions, services, products, facilities, or in any  
14 other respect, whereby such denial or differences are  
15 based upon race, gender or income, except as provided in  
16 Section 16-115E.

17 (2) deny service to a customer or group of customers  
18 based on locality nor establish any unreasonable  
19 difference as to prices, terms, conditions, services,  
20 products, or facilities as between localities.

21 (3) warrant that it has a residential customer or  
22 small commercial retail customer's express consent  
23 agreement to access interval data as described in  
24 subsection (b) of Section 16-122, unless the alternative  
25 retail electric supplier has:

26 (A) disclosed to the consumer at the outset of the

1 offer that the alternative retail electric supplier  
2 will access the consumer's interval data from the  
3 consumer's utility with the consumer's express  
4 agreement and the consumer's option to refuse to  
5 provide express agreement to access the consumer's  
6 interval data; and

7 (B) obtained the consumer's express agreement for  
8 the alternative retail electric supplier to access the  
9 consumer's interval data from the consumer's utility  
10 in a separate letter of agency, a distinct response to  
11 a third-party verification, or as a separate  
12 affirmative consent during a recorded enrollment  
13 initiated by the consumer. The disclosure by the  
14 alternative retail electric supplier to the consumer  
15 in this Section shall be conducted in, translated  
16 into, and provided in a language in which the consumer  
17 subject to the disclosure is able to understand and  
18 communicate.

19 (4) release, sell, license, or otherwise disclose any  
20 customer interval data obtained under Section 16-122 to  
21 any third person except as provided for in Section 16-122  
22 and paragraphs (1) through (4) of subsection (d-5) of  
23 Section 2EE of the Consumer Fraud and Deceptive Business  
24 Practices Act.

25 (e) An alternative retail electric supplier shall comply  
26 with the following requirements with respect to the marketing,

1 offering and provision of products or services to residential  
2 and small commercial retail customers:

3 (i) All marketing materials, including, but not  
4 limited to, electronic marketing materials, in-person  
5 solicitations, and telephone solicitations, shall contain  
6 information that adequately discloses the prices, terms,  
7 and conditions of the products or services that the  
8 alternative retail electric supplier is offering or  
9 selling to the customer and shall disclose the current  
10 utility electric supply price to compare applicable at the  
11 time the alternative retail electric supplier is offering  
12 or selling the products or services to the customer and  
13 shall disclose the date on which the utility electric  
14 supply price to compare became effective and the date on  
15 which it will expire. The utility electric supply price to  
16 compare shall be the sum of the electric supply charge and  
17 the transmission services charge and shall not include the  
18 purchased electricity adjustment. The disclosure shall  
19 include a statement that the price to compare does not  
20 include the purchased electricity adjustment, and, if  
21 applicable, the range of the purchased electricity  
22 adjustment. All marketing materials, including, but not  
23 limited to, electronic marketing materials, in-person  
24 solicitations, and telephone solicitations, shall include  
25 the following statement:

26 "(Name of the alternative retail electric

1 supplier) is not the same entity as your electric  
2 delivery company. You are not required to enroll with  
3 (name of alternative retail electric supplier).  
4 Beginning on (effective date), the electric supply  
5 price to compare is (price in cents per kilowatt  
6 hour). The electric utility electric supply price will  
7 expire on (expiration date). The utility electric  
8 supply price to compare does not include the purchased  
9 electricity adjustment factor. For more information go  
10 to the Illinois Commerce Commission's free website at  
11 [www.pluginillinois.org](http://www.pluginillinois.org).

12 If applicable, the statement shall also include the  
13 following statement:

14 "The purchased electricity adjustment factor may  
15 range between +.5 cents and -.5 cents per kilowatt  
16 hour."

17 This paragraph (i) does not apply to goodwill or  
18 institutional advertising.

19 (ii) Before any customer is switched from another  
20 supplier, the alternative retail electric supplier shall  
21 give the customer written information that adequately  
22 discloses, in plain language, the prices, terms and  
23 conditions of the products and services being offered and  
24 sold to the customer. This written information shall be  
25 provided in a language in which the customer subject to  
26 the marketing or solicitation is able to understand and



1       communicate, and the alternative retail electric supplier  
2       shall not switch a customer who is unable to understand  
3       and communicate in a language in which the marketing or  
4       solicitation was conducted. The alternative retail  
5       electric supplier shall comply with Section 2N of the  
6       Consumer Fraud and Deceptive Business Practices Act.

7       (iii) An alternative retail electric supplier shall  
8       provide documentation to the Commission and to customers  
9       that substantiates any claims made by the alternative  
10      retail electric supplier regarding the technologies and  
11      fuel types used to generate the electricity offered or  
12      sold to customers.

13      (iv) The alternative retail electric supplier shall  
14      provide to the customer (1) itemized billing statements  
15      that describe the products and services provided to the  
16      customer and their prices, and (2) an additional  
17      statement, at least annually, that adequately discloses  
18      the average monthly prices, and the terms and conditions,  
19      of the products and services sold to the customer.

20      (v) All in-person and telephone solicitations shall be  
21      conducted in, translated into, and provided in a language  
22      in which the consumer subject to the marketing or  
23      solicitation is able to understand and communicate. An  
24      alternative retail electric supplier shall terminate a  
25      solicitation if the consumer subject to the marketing or  
26      communication is unable to understand and communicate in

1 the language in which the marketing or solicitation is  
2 being conducted. An alternative retail electric supplier  
3 shall comply with Section 2N of the Consumer Fraud and  
4 Deceptive Business Practices Act.

5 (vi) Each alternative retail electric supplier shall  
6 conduct training for individual representatives engaged in  
7 in-person solicitation and telemarketing to residential  
8 customers on behalf of that alternative retail electric  
9 supplier prior to conducting any such solicitations on the  
10 alternative retail electric supplier's behalf. Each  
11 alternative retail electric supplier shall submit a copy  
12 of its training material to the Commission on an annual  
13 basis and the Commission shall have the right to review  
14 and require updates to the material. After initial  
15 training, each alternative retail electric supplier shall  
16 be required to conduct refresher training for its  
17 individual representatives every 6 months.

18 (f) An alternative retail electric supplier may limit the  
19 overall size or availability of a service offering by  
20 specifying one or more of the following: a maximum number of  
21 customers, maximum amount of electric load to be served, time  
22 period during which the offering will be available, or other  
23 comparable limitation, but not including the geographic  
24 locations of customers within the area which the alternative  
25 retail electric supplier is certificated to serve. The  
26 alternative retail electric supplier shall file the terms and

1 conditions of such service offering including the applicable  
2 limitations with the Commission prior to making the service  
3 offering available to customers.

4 (g) Nothing in this Section shall be construed as  
5 preventing an alternative retail electric supplier, which is  
6 an affiliate of, or which contracts with, (i) an industry or  
7 trade organization or association, (ii) a membership  
8 organization or association that exists for a purpose other  
9 than the purchase of electricity, or (iii) another  
10 organization that meets criteria established in a rule adopted  
11 by the Commission, from offering through the organization or  
12 association services at prices, terms and conditions that are  
13 available solely to the members of the organization or  
14 association.

15 (Source: P.A. 102-459, eff. 8-20-21; 103-237, eff. 6-30-23.)

16 (220 ILCS 5/16-119A)

17 Sec. 16-119A. Functional separation.

18 (a) Within 90 days after the effective date of this  
19 amendatory Act of 1997, the Commission shall open a rulemaking  
20 proceeding to establish standards of conduct for every  
21 electric utility described in subsection (b). To create  
22 efficient competition between suppliers of generating services  
23 and sellers of such services at retail and wholesale, the  
24 rules shall allow all customers of a public utility that  
25 distributes electric power and energy to purchase electric

1 power and energy from the supplier of their choice in  
2 accordance with the provisions of Section 16-104. In addition,  
3 the rules shall address relations between providers of any 2  
4 services described in subsection (b) to prevent undue  
5 discrimination and promote efficient competition. Provided,  
6 however, that a proposed rule shall not be published prior to  
7 May 15, 1999.

8 (b) The Commission shall also have the authority to  
9 investigate the need for, and adopt rules requiring,  
10 functional separation between the generation services and the  
11 delivery services of those electric utilities whose principal  
12 service area is in Illinois as necessary to meet the objective  
13 of creating efficient competition between suppliers of  
14 generating services and sellers of such services at retail and  
15 wholesale. After January 1, 2003, the Commission shall also  
16 have the authority to investigate the need for, and adopt  
17 rules requiring, functional separation between an electric  
18 utility's competitive and non-competitive services.

19 (b-5) If there is a change in ownership of a majority of  
20 the voting capital stock of an electric utility or the  
21 ownership or control of any entity that owns or controls a  
22 majority of the voting capital stock of an electric utility,  
23 the electric utility shall have the right to file with the  
24 Commission a new plan. The newly filed plan shall supersede  
25 any plan previously approved by the Commission pursuant to  
26 this Section for that electric utility, subject to Commission

1 approval. This subsection only applies to the extent that the  
2 Commission rules for the functional separation of delivery  
3 services and generation services provide an electric utility  
4 with the ability to select from 2 or more options to comply  
5 with this Section. The electric utility may file its revised  
6 plan with the Commission up to one calendar year after the  
7 conclusion of the sale, purchase, or any other transfer of  
8 ownership described in this subsection. In all other respects,  
9 an electric utility must comply with the Commission rules in  
10 effect under this Section. The Commission may promulgate rules  
11 to implement this subsection. This subsection shall have no  
12 legal effect after January 1, 2005.

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

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

22 (e) Notwithstanding anything to the contrary, an electric  
23 utility may market and promote the services, rates and  
24 programs authorized by Sections 16-107, 16-107.8, and 16-108.6  
25 of this Act.

26 (Source: P.A. 99-906, eff. 6-1-17.)

1 (220 ILCS 5/16-126.2 new)

2 Sec. 16-126.2. Energy Reliability Corporation of Illinois.

3 (a) The General Assembly finds that:

4 (1) When Illinois restructured its electric market in  
5 1997, Illinois' largest 2 electric utilities unexpectedly  
6 elected to join 2 different regional transmission  
7 organizations (RTO), which effectively split the State  
8 into 2 zones.

9 (2) In 2021, Illinois became the first state in the  
10 Midwest to mandate a clean energy future when it enacted  
11 the Climate and Equitable Jobs Act.

12 (3) Illinois' bifurcated, existing RTO membership  
13 structure has created significant concerns related to  
14 delays in transmission build out, excessively long  
15 interconnection queue processes, favoring polluting  
16 generation resources over more cost-effective clean  
17 sources, inhibiting State policies, and inexplicably  
18 frustrating State efforts to address its resource adequacy  
19 needs through the development of new generation.

20 (4) The governance structures of PJM Interconnection,  
21 LLC (PJM) and the Midcontinent Independent System  
22 Operator, Inc. (MISO) have consistently failed to  
23 represent Illinois' interests.

24 (5) The Illinois Commerce Commission is a trusted,  
25 neutral party with relevant expertise to evaluate and

1 present its findings related to the costs and benefits of  
2 Illinois establishing a single, State-specific Independent  
3 System Operator (ISO).

4 (6) The General Assembly intends to understand fully  
5 the effectiveness over time of creating such a single,  
6 State-specific ISO, including reducing ratepayer bills,  
7 supporting environmental and public health, and providing  
8 economic benefits to Illinois while creating good-paying  
9 jobs in equity communities, as well as for the members of  
10 organized labor. The potential benefits of a  
11 State-specific ISO may include, but are not limited to,  
12 support for Illinois' resource adequacy needs, grid  
13 reliability, reducing carbon and other pollutant  
14 emissions, stabilizing long-term and short-term electric  
15 rates, and supporting environmental justice communities,  
16 organized labor, job creation, and the overall economy.

17 (b) The Commission shall conduct and publish the findings  
18 of a policy study to evaluate the effectiveness over time of  
19 establishing a single State-operated ISO and to determine  
20 whether such a move would be consistent with the State's goals  
21 and would maximize benefits to State businesses and residents.

22 (c) The policy study shall evaluate the benefits and costs  
23 of participation in MISO and PJM, including consideration of  
24 the relative net benefits of participation in a State-specific  
25 ISO. The study shall examine the costs and benefits of such  
26 participation over 20 years. The study shall examine the costs

1 and benefits to State ratepayers, including, but not limited  
2 to, consideration of the regulatory, reliability, operational,  
3 and competitive benefits of participating in MISO and PJM  
4 versus a State-specific ISO. The costs and benefits evaluated  
5 should include resource adequacy benefits, resilience,  
6 affordability, equity, the impact on the environment, and the  
7 general health, safety, and welfare of the People of the  
8 State.

9 The study shall, at a minimum, include the following, and  
10 it may consider or suggest additional or alternative items:

11 (1) the appropriate timetable to establish and  
12 effectively transition to a State-specific ISO, taking  
13 into account how that schedule could support the emission  
14 reduction timeline established in Section 9.15 of the  
15 Environmental Protection Act; and

16 (2) the appropriate benefits and costs to consider,  
17 such as the regulatory, reliability, operational, and  
18 competitive benefits, including, but not limited to:

19 (i) capacity market benefits and costs of  
20 separating from the PJM and MISO territories versus  
21 those of the status quo;

22 (ii) transmission benefits and costs of separating  
23 from the PJM and MISO territories versus those of a  
24 State-specific ISO;

25 (iii) the legal, correct, and appropriate exit  
26 fees for leaving regional transmission organizations;



1           (iv) managing the State's energy resources to  
2           supply electricity throughout the State versus the  
3           existing bifurcated structure;

4           (v) the potential improvements in interconnection  
5           queue speed versus the current lengthy delays in the  
6           PJM and MISO processes;

7           (vi) the potential for a State-specific ISO to  
8           more effectively value and enable resources, such as  
9           storage of renewable resources, demand response,  
10           energy efficiency, and the adoption of new  
11           technologies and applications, versus the current PJM  
12           and MISO structures; and

13           (vii) an evaluation of any improved ability for  
14           the State to meet its goals and objectives in a new  
15           State-specific ISO versus the existing structure.

16           After the completion of the study, if the Commission  
17           finds that the results of the study were overall  
18           beneficial to the citizens of this State, then the  
19           Commission may conduct and publish an additional policy  
20           study that explores the steps required to establish a  
21           State-specific ISO. The Governor and members of the  
22           General Assembly may request an additional study  
23           regardless of the outcome of the original study.

24           The additional policy study shall investigate a  
25           governance structure and design that would enable State  
26           policy independence and more fully support State resource

1       adequacy and reliability while also complying with FERC  
2       Order 2000. The additional study may investigate how a  
3       State-specific ISO would be able to demonstrate the  
4       following issues, including, but not limited to:

5               (i) independence from market participants;

6               (ii) an appropriate scope and regional configuration;

7               (iii) possession of operational authority for all  
8       transmission facilities under the control of the  
9       State-specific ISO;

10              (iv) exclusive authority to maintain short-term  
11       reliability of the grid;

12              (v) tariff administration and design;

13              (vi) congestion management;

14              (vii) management of parallel path flows;

15              (viii) provision of last resort for ancillary  
16       services;

17              (ix) development of an Open Access Same-time  
18       Information System (OASIS);

19              (x) market monitoring; and

20              (xi) responsibility for planning and expanding  
21       facilities under its control.

22       The additional policy study shall also include an  
23       assessment of the appropriate entity and organizational  
24       structure and the staffing needs and physical needs of the  
25       independent organization, not-for-profit independent  
26       company, or State agency that would be tasked with

1 overseeing the State-specific ISO, including, but not  
2 limited to: (i) identifying the functions necessary for a  
3 State-specific ISO; (ii) attracting and retaining  
4 qualified staff; (iii) the engineering, design, or  
5 procurement of the physical facilities that would be  
6 required of a State-specific ISO; and (iv) the length of  
7 time it would reasonably take to establish a  
8 State-specific ISO in this State.

9 (d) The Commission shall retain the services of technical  
10 and policy experts with relevant fields of expertise. Given  
11 the critical and rapid actions required under this Section,  
12 the Commission may procure the services of any facilitator,  
13 expert, or consultant to assist with the implementation of  
14 this Section. Such procurement is exempt from the requirements  
15 of the Illinois Procurement Code under Section 20-10 of the  
16 Illinois Procurement Code. The Commission may determine that  
17 the cost of any contract pursuant to this Section may be borne  
18 initially by the relevant electric public utilities, but shall  
19 be recovered as an expense through normal ratemaking  
20 procedures. The Illinois Power Agency, the Illinois Finance  
21 Authority, the Illinois Environmental Protection Agency, and  
22 the Department of Commerce and Economic Opportunity shall  
23 provide support to and consult with the Commission when  
24 requested. The Commission may consult with other State  
25 agencies, commissions, or task forces as needed.

26 (e) The Commission may solicit information, including

1 confidential or proprietary information, from entities likely  
2 to be impacted by the creation of a State-specific ISO. The  
3 Commission may consult with and seek assistance from (i)  
4 Independent System Operators in other states, such as Texas,  
5 California, and New York, (ii) federal agencies, such as the  
6 Federal Energy Regulatory Commission, and (iii) the regional  
7 transmission organizations PJM and MISO. Any information  
8 designated as confidential or proprietary information by the  
9 entity providing the information shall be kept confidential by  
10 the Commission, its consultants, and its contractors and is  
11 not subject to disclosure under the Freedom of Information  
12 Act. The Office of the Attorney General shall have access to,  
13 and maintain the confidentiality of, such information pursuant  
14 to Section 6.5 of the Attorney General Act.

15 (f) The Commission shall publish its final policy study no  
16 later than December 1, 2027 and suitable copies shall be  
17 delivered to the Governor and members of the General Assembly.

18 (220 ILCS 5/16-145 new)

19 Sec. 16-145. Powering Up Illinois.

20 (a) For the purposes of this Section:

21 "Electric utility" means an electric utility serving more  
22 than 500,000 customers in this State.

23 "Energization" and "energize" means the connection of new  
24 electric vehicle charging infrastructure projects over 5  
25 megawatts to the electrical grid or upgrading electrical

1 capacity to provide adequate service to such electric vehicle  
2 charging infrastructure projects. "Energization" and  
3 "energize" do not include activities related to connecting  
4 electricity supply resources.

5 "Energization time period" means the period of time that  
6 begins when the electric utility receives a substantially  
7 complete energization project application and ends when the  
8 electric service associated with the project is installed and  
9 energized, consistent with the service obligations set forth  
10 in the Section 8-101 of the Public Utilities Act.

11 (b) The Commission shall adopt rules to establish and  
12 track reasonable average and maximum target energization time  
13 periods for energization projects. Such rules shall, at a  
14 minimum, establish the following:

15 (1) reasonable average and maximum target energization  
16 time periods. The targets shall ensure that work is  
17 completed in a safe and reliable manner that minimizes  
18 delay in meeting the date requested by a customer for  
19 completion of the energization project to the greatest  
20 extent possible. The targets may vary based on factors,  
21 including, but not limited to, customer class, size of the  
22 project, the complexity and magnitude of the work  
23 required, and uncertainties regarding the readiness of the  
24 customer project needing energization. The targets may  
25 also recognize any factors beyond the electric utility's  
26 control;

1           (2) requirements for an electric utility to report to  
2           the Commission, at least annually, in order to track and  
3           improve electric utility performance. The report shall, at  
4           a minimum, include the average, median, and standard  
5           deviation time between receiving an application for  
6           electrical service and energizing the electrical service,  
7           and detailed explanations for energization time periods  
8           that exceed the target maximum for energization projects,  
9           constraints and obstacles to each type of energization,  
10           including, but not limited to, funding limitations,  
11           qualified staffing availability, or equipment  
12           availability, and any other information that the  
13           Commission, in its discretion, concludes that such reports  
14           should contain; and

15           (3) procedures for customers to report energization  
16           delays to the Commission.

17           (c) If an electric utility's average time period for  
18           energization in a calendar year exceeds the Commission's  
19           target averages or if an electric utility has exceeded the  
20           Commission's target maximums as established by rule, the  
21           electric utility shall include in its report pursuant to rules  
22           adopted under paragraph (2) of subsection (b) a detailed  
23           remedial plan for meeting the targets in the future. The  
24           Commission may require modification to the electric utility's  
25           remedial plan to ensure that the electric utility meets  
26           targets promptly.

1       (d) Data reported by electric utilities shall be  
2 anonymized or aggregated to the extent necessary to prevent  
3 identifying individual customers. The Commission shall make  
4 all such reports publicly available.

5       (e) In addition to requiring remedial plans pursuant to  
6 subsection (c) of this Section, the Commission may require an  
7 electric utility to take any remedial actions necessary to  
8 achieve the Commission's targets.

9       (220 ILCS 5/16-201 new)

10       Sec. 16-201. Integrated resource plan development.

11       (a) The General Assembly hereby finds that:

12       (1) In 2021, Illinois set itself on the path to a clean  
13 energy future that would produce the least amount of  
14 carbon and copollutant emissions while ensuring adequate,  
15 reliable, affordable, efficient, and environmentally  
16 sustainable electric service at the lowest total cost over  
17 time and in a manner that benefits the Illinois economy  
18 and workforce and improves the quality of life, including  
19 environmental health, for all its citizens.

20       (2) In the ensuing years, Illinois has created a  
21 strong economic environment that has led to the  
22 revitalization and expansion of its manufacturing sector  
23 and has made Illinois an attractive place for the  
24 technology industry to locate new data and quantum  
25 computing centers. These developments have led to the

1 creation of good-paying jobs for working families.

2 (3) The unforeseen growth in the manufacturing and  
3 technology sectors will likely lead to a dramatic increase  
4 in electricity demand over time.

5 (4) The long interconnection times and the capacity  
6 market structures enacted by the 2 regional transmission  
7 organizations that Illinois is split between further  
8 exacerbate the potential for an imbalance between  
9 electricity supply and demand.

10 (5) The new sources of load growth from the  
11 manufacturing and technology sectors combined with  
12 external challenges require a more nimble and responsive  
13 administrative approach to effectively address future  
14 resource adequacy challenges.

15 (6) The Illinois agencies that oversee and implement  
16 Illinois energy policy must have the ability to (i) fully  
17 understand current and future resource adequacy needs,  
18 (ii) plan for what resources could be utilized to address  
19 such needs, (iii) be able to coordinate, modify, expand,  
20 and direct all of Illinois' existing energy programs and  
21 policies so as to address any resource adequacy or  
22 reliability concerns, and (iv) direct the development of  
23 new energy programs and policies in order meet resource  
24 adequacy and reliability needs without the need for  
25 additional legislative action.

26 (b) The purpose of this Section is to ensure that the



1 Commission, the agencies, electric utilities supplying  
2 electric service in Illinois, stakeholders, market  
3 participants, and policymakers have a common set of data and  
4 information regarding the State's electricity resource needs  
5 in order to plan for sufficient electricity resources to serve  
6 Illinois customers in a manner that is adequate, safe,  
7 reliable, affordable, efficient, environmentally sustainable,  
8 at the lowest cost over time, and consistent with the energy  
9 policy goals of the State, including, but not limited to, the  
10 clean energy policy established by Public Act 102-662. To that  
11 end, this Section establishes a requirement that the agencies  
12 prepare an integrated resource plan and submit such plan to  
13 the Commission consistent with this Section for the  
14 Commission's review and approval after an opportunity for  
15 notice and hearing.

16 (c) Unless otherwise specified, as used in this Section,  
17 the following terms shall have the following meanings:

18 (1) "Advanced transmission technologies" means  
19 technologies, tools, and software that improve power flows  
20 over transmission systems and lines. "Advanced  
21 transmission technologies" includes, but is not limited  
22 to, the following:

23 (i) technology that dynamically adjusts the rated  
24 capacity of transmission lines based on real-time  
25 conditions;

26 (ii) advanced power flow controls used to actively

1 control the flow of electricity across transmission  
2 lines to optimize usage or relieve congestion;

3 (iii) software or hardware used to identify  
4 optimal transmission grid configurations or enable  
5 routing power flows around congestion points; and

6 (iv) advanced transmission line conductors that  
7 have a direct current electrical resistance at least  
8 10% lower than existing conductors of a similar  
9 diameter on the transmission system.

10 (2) "Agencies" means the Illinois Commerce Commission  
11 Staff, the Illinois Power Agency, the Illinois Finance  
12 Authority, the Illinois Environmental Protection Agency,  
13 and any consultants those agencies retain, including, but  
14 not limited to, the consultant retained by the Commission  
15 pursuant to subsection (j) of this Section and the  
16 consultant retained by the Illinois Power Agency pursuant  
17 to paragraph (1) of subsection (a) of Section 1-75 of the  
18 Illinois Power Agency Act.

19 (3) "Clean energy" means energy generation that  
20 either:

21 (A) emits no on-site SO<sub>2</sub>, NO<sub>x</sub>, mercury, or any  
22 other regulated pollutants; or

23 (B) as shown through pollution control  
24 technologies, has reduced a utility's CO<sub>2</sub> emissions by  
25 90% compared to what the utility would have otherwise  
26 emitted and that has CO<sub>2</sub> emissions less than 130

1           lb/MWh.

2           (4) "Regional transmission organization" or "RTO"  
3           means PJM Interconnection, LLC (PJM) and the Midcontinent  
4           Independent System Operator, Inc. (MISO) or the regional  
5           transmission organization or independent system operator  
6           of which the electric utility is a member or would be a  
7           member, given the location of the electric utility's  
8           customers, if it were required to be a member.

9           (d) The agencies, coordinated by Commission staff, shall  
10          compile and propose an integrated resource plan in compliance  
11          with this Section once every 4 years. The agencies may consult  
12          with each electric utility that has more than 500,000 electric  
13          retail customers in developing the plan and the plan shall  
14          consider any necessary interactions between RTO zones in the  
15          State. Commission staff shall submit the initial integrated  
16          resource plan to the Commission no later than December 31,  
17          2026, and subsequent plans shall be submitted every 4 years  
18          thereafter, in each case by December 31 of the applicable  
19          year. For the first integrated resource plan due on December  
20          31, 2026, the agencies shall take into account the resource  
21          adequacy report prepared pursuant to subsection (o) of Section  
22          9.15 of the Environmental Protection Act and shall  
23          specifically address any and all divergences from the analysis  
24          and conclusions in the report. At any time after the  
25          submission of a plan, the agencies may submit an update to the  
26          plan if the agencies believe that a material change in the

1 inputs or conclusions of the plan is warranted. The agencies  
2 shall notify the Commission as soon as practicable of the  
3 material change and the potential update to the plan. The  
4 Commission shall publish the integrated resource plan on its  
5 website.

6 (e) An alternative retail electric supplier shall provide  
7 information related to the resource needs of its customers  
8 located in an electric utility's service territory as  
9 requested by the agencies or the Commission to compile and  
10 develop the plan required by this Section.

11 (f) Commission staff shall lead the agencies in the  
12 development of the integrated resource plan to ensure that a  
13 plan submitted pursuant to this Section includes a detailed  
14 analysis of the following:

15 (1) an evaluation of the future electric resource  
16 needs in each electric utility's service area for periods  
17 of at least 5, 10, 15, and 20 years such that the plan  
18 coincides with the timelines established in Section 9.15  
19 of Title II of the Environmental Protection Act and is  
20 designed to support those standards to the maximum extent  
21 practicable on the schedule established therein;

22 (2) peak demand and energy usage forecasts, such that  
23 the plan:

24 (i) contains no fewer than 3 scenarios of (i)  
25 forecasted peak demand, (ii) net peak demand if  
26 different from peak demand, (iii) non-coincidental

1 peak demand, and (iv) energy usage, to capture a  
2 reasonable range of forecasts based on historic trends  
3 and a diverse range of more conservative to high load  
4 growth based on reasonable projections. The scenarios  
5 should consider estimates of peak demand corresponding  
6 to seasons or other applicable time periods as defined  
7 by the regional transmission organization in which  
8 this State's electric utilities are a member;

9 (ii) reflects known changes in facility and  
10 appliance codes and standards;

11 (iii) reflects load reductions from  
12 State-sponsored programs;

13 (iv) reflects load reductions from programs  
14 sponsored by electric utilities;

15 (v) reflects load reductions from aggregators of  
16 retail customers that can be applied to the host  
17 load-serving entity's resource adequacy requirement;

18 (vi) reflects load reductions from any other  
19 sources including out-of-state programs that could  
20 influence load;

21 (vii) reflects expected adoption of other  
22 distributed energy resources, including  
23 behind-the-meter generation; and

24 (viii) includes any additional sensitivities as  
25 determined by the agencies;

26 (3) an analysis of all generation and energy resource

1 options available to meet the range of load forecasts with  
2 a focus on the first period of at least 5 years covered by  
3 the plan, including an analysis of existing supply found  
4 within each electric utility's service area and new supply  
5 expected to come online across that period of at least 5  
6 years, such that the plan shall consider the following:

7 (i) the current and projected status of electric  
8 resource adequacy throughout the State from sources  
9 the agencies deem reasonable;

10 (ii) a range of resource options that can be  
11 deployed at a reasonable scale, that provide clean  
12 energy to the maximum extent practicable, and that  
13 include generation and energy resources on both the  
14 demand-side and supply-side;

15 (iii) developing technologies that will be  
16 commercially viable during the period of analysis;

17 (iv) reflect reasonable assumptions for capital  
18 and operating costs and the performance of resource  
19 technologies. The calculation of resource costs shall  
20 include reasonable expected costs for transmission  
21 interconnection and network upgrades made necessary by  
22 the addition of each resource; and

23 (v) appropriate considerations for implementation,  
24 such as:

25 (A) timelines for implementation, including,  
26 but not limited to, siting, permitting,

1           engineering, transmission interconnection, and the  
2           time it takes to modify existing programs or  
3           create new programs and put them into operation;

4           (B) recommendations for how new clean  
5           resources should be developed to respond to  
6           resource adequacy challenges; and

7           (C) any other requirements for implementation;

8           (4) confirmation that the resource adequacy and  
9           reliability requirements employed in the plan meet the  
10          following conditions:

11           (i) the plan must reflect planning reserve margin  
12           requirements established by the corresponding RTO,  
13           other resource adequacy requirements set by an  
14           applicable authority as authorized by the State, or  
15           another standard chosen by the Commission; and

16           (ii) the integrated resource plan may reflect a  
17           supplemental reliability analysis, including the  
18           evaluation of reliability metrics not prescribed by an  
19           RTO or other applicable authority as authorized by the  
20           State;

21           (5) consistency with existing State and federal  
22           environmental laws and policies, including, but not  
23           limited to, the decarbonization goals set forth in Section  
24           9.15 of the Illinois Environmental Protection Act. The  
25           plan may consider potential changes in State and federal  
26           environmental laws and policies. The plan must provide

1 expected emissions for CO<sub>2</sub>, SO<sub>2</sub>, NO<sub>x</sub>, mercury, and any  
2 other regulated pollutants in order to analyze the impact  
3 of retirement timelines on emissions reductions. The plan  
4 must be consistent with the State's other clean energy  
5 goals and targets, including, but not limited to, its  
6 renewable portfolio standard, its energy efficiency  
7 portfolio standard, the carbon mitigation credit program,  
8 and its energy storage system portfolio standard. The plan  
9 shall include an analysis of the following:

10 (i) the State's current progress toward its  
11 renewable energy resource development goals, its  
12 storage development goals, and its energy efficiency  
13 and demand-response goals, as well as the pace of the  
14 development of renewables, energy storage, including  
15 distributed storage, the deployment of virtual power  
16 plants, and demand-response utilization; and

17 (ii) the status of the State's CO<sub>2</sub>e and copollutant  
18 emissions reductions and its current status and  
19 progress toward developing emerging clean energy  
20 technologies;

21 (6) consideration of the following additional issues:

22 (i) an integrated resource plan shall be designed  
23 to collectively meet all of Illinois' energy policy  
24 goals and shall describe:

25 (A) how the plan complies with the various  
26 requirements of State energy policy;



1           (B) the assumptions and analytical methods  
2           used in the plan;

3           (C) recommendations for how State policy  
4           should serve to facilitate the development of new  
5           resources;

6           (D) the impacts of the plan on customer costs,  
7           including net present value costs relative to  
8           alternatives; and

9           (E) how the plan improves energy equity within  
10           environmental justice and equity investment  
11           eligible communities, as defined by the Energy  
12           Transition Act, including, but not limited to,  
13           reducing energy burden, ensuring affordability of  
14           electric utility bills and uninterruptible  
15           essential utility service, and reducing barriers  
16           to accessing renewable energy;

17           (ii) an integrated resource plan shall include a  
18           discussion of the steps needed to implement the plan,  
19           including, but not limited to, options and steps to  
20           bring on new or increased energy generated from any  
21           recommended resources for the 5 years after the plan  
22           would be implemented, that align with State clean  
23           energy policy;

24           (iii) an integrated resource plan shall consider  
25           the information and conclusions set forth in the  
26           renewable energy access plan developed in accordance

1 with Section 8-512, including, but not limited to,  
2 information concerning the locations of renewable  
3 energy access plan zones, considerations of advanced  
4 transmission technologies to increase efficiencies,  
5 and different transmission planning options and cost  
6 allocations;

7 (iv) an integrated resource plan may consider the  
8 impacts of future or anticipated changes in State and  
9 federal energy laws and policies; and

10 (v) any solutions for any additional conclusions;

11 (7) if the agencies choose, portfolio-optimization  
12 results based on the following:

13 (i) capacity expansion and production cost  
14 modeling consistent with the conditions and  
15 constraints set forth in this Section;

16 (ii) optimized candidate portfolios that align  
17 with the load-growth scenarios described in paragraph  
18 (2) of subsection (f) of this Section and any  
19 additional portfolios chosen by the agencies to  
20 reflect alternative policy or technology assumptions;

21 (iii) a comparison of total system cost on a  
22 net-present-value basis, customer rate and bill  
23 impacts, risk metrics, including, but not limited to,  
24 cost variability under fuel-price and load shocks,  
25 emissions trajectories, and key reliability  
26 indicators; and

1           (iv) an identification of a preferred portfolio or  
2           portfolios that best satisfy the objectives of  
3           affordability, reliability, equity, and emission  
4           reduction and a narrative explanation of why the  
5           portfolio is recommended; and

6           The agencies may request that PJM and MISO, or their  
7           respective successor organizations, conduct a resource  
8           adequacy and reliability study. The study shall include the  
9           megawatt amount of energy storage capacity that would maintain  
10           resource adequacy during the study period to fully meet the  
11           requirements for CO<sub>2</sub>e and copollutant emissions reductions  
12           under Public Act 102-662 that would not otherwise be met by the  
13           interconnection queue and without large transmission upgrades,  
14           including maintaining sufficient in-State capacity to meet the  
15           zonal requirements of MISO Zone 4 or the PJM ComEd Zone. The  
16           study shall also identify recommended geographic locations for  
17           new storage and clean energy to mitigate local reliability  
18           risks, including at or near the sites of any generator  
19           deactivations to maximize the efficient utilization of  
20           existing infrastructure.

21           (220 ILCS 5/16-202 new)

22           Sec. 16-202. Integrated resource plan review and approval.

23           (a) The Commission shall enter its order approving or  
24           approving with modifications an integrated resource plan  
25           within 180 days after the agencies filing the plan and any

1 companion reports or other information. The Commission may  
2 extend the period of review of the plan for no more than an  
3 additional 180 days.

4 (b) The Commission may approve a plan or a modified plan  
5 and authorize its implementation only if, after notice and  
6 hearing, including the conduct of discovery and taking of  
7 evidence, it finds that the plan:

8 (1) addresses any resource adequacy challenges in the  
9 5 years immediately following approval of the plan, while  
10 also taking into account the 10 years following the plan;

11 (2) prepares the State to best address issues of  
12 resource adequacy at the least amount of CO<sub>2</sub>e and  
13 copollutant emissions;

14 (3) considers the emissions' impacts on environmental  
15 justice communities while taking into account all  
16 applicable labor and equity standards;

17 (4) supports the provisioning of adequate, reliable,  
18 affordable, efficient, and environmentally sustainable  
19 electric service at the lowest total cost over time; and

20 (5) utilizes the expansion of renewable energy, energy  
21 storage, virtual power plants and distributed energy  
22 storage, energy efficiency, demand response, time-of-use  
23 rates or other mechanisms designed to manage peak load,  
24 transmission development, carbon mitigation credits or any  
25 other clean energy strategies to the maximum extent  
26 practicable to resolve any identified resource adequacy

1 shortfall or reliability violation in a cost-effective,  
2 affordable, timely, and clean manner.

3 (c) The Commission may, as a part of its decision to  
4 approve a plan or modified plan and to the extent consistent  
5 with the uniform allocation of costs required under subsection  
6 (k) of Section 16-108, order changes to existing programs,  
7 direct specific actions within existing programs including the  
8 authorization to support the expansion of an existing program,  
9 including, but not limited to:

10 (1) any of the following plans or programs designed to  
11 increase the amount of generation and capacity available:

12 (i) the Long-Term Renewable Resources Procurement  
13 Plan, including programs and procurements authorized  
14 through that Plan, and to increase the limitations  
15 placed on the procurement of renewable energy  
16 resources established pursuant to subparagraph (E) of  
17 paragraph (1) of subsection (c) of Section 1-75 of the  
18 Illinois Power Agency Act in order to increase,  
19 direct, or adjust procurements of renewable energy  
20 resources to support new renewable energy projects;

21 (ii) the Energy Storage Resources Procurement  
22 Plan, including programs and procurements authorized  
23 through that Plan, and to increase the procurement of  
24 energy storage established pursuant to subsection  
25 (d-20) of Section 1-75 of the Illinois Power Agency  
26 Act in order to increase or adjust procurements for

1           new energy storage;

2           (iii) the carbon mitigation credit procurement  
3           plans established pursuant to subsection (d-10) of  
4           Section 1-75 of the Illinois Power Agency Act in order  
5           to preserve existing carbon-free energy resources,  
6           including extending or expanding carbon mitigation  
7           credit contract awards in accordance with a new  
8           schedule of baseline costs;

9           (iv) the Illinois Power Agency's annual  
10           electricity procurement plans established pursuant to  
11           paragraph (2) of subsection (d) of Section 16-111.5,  
12           including modification of the products to be procured  
13           and allowing for costs associated with the purchase of  
14           new or additional products to be socialized across all  
15           retail customers or all load-serving entities, as  
16           applicable; and

17           (v) any additional programs designed to procure  
18           appropriate sources of new clean energy and capacity  
19           resources, including any associated clean attribute  
20           credits; and

21           (2) any of the following designed to manage energy  
22           demand, including, but not limited to:

23           (i) extending or expanding the energy efficiency  
24           programs implemented by electric utilities and the  
25           limitation on the amount of energy efficiency and  
26           demand-response measures implemented pursuant to

1           Section 8-103B in order to gain increased load  
2           reductions; and

3           (ii) the Multi-Year Integrated Grid Plans  
4           implemented by electric utilities pursuant to Section  
5           16-105.17 in order to extend or expand programs  
6           related to peak load management and reduction,  
7           including, but not limited to, virtual power plants,  
8           front of the meter distributed storage, demand  
9           response, and time-of-use rates.

10          (d) If all of the changes made to the programs pursuant to  
11          this Section would reasonably be insufficient to balance  
12          supply and demand and avoid a resource adequacy shortfall,  
13          then the Commission may delay, in whole or in part, the CO<sub>2e</sub>  
14          and copollutant emissions reductions requirements found in  
15          Section 9.15 of the Environmental Protection Act but only to  
16          the minimum extent and duration necessary to address the  
17          resource adequacy shortfall needs of the State. If the  
18          Commission finds that reducing or delaying the emissions  
19          reductions requirements is necessary, despite any or all of  
20          the changes made pursuant to this Section, then it shall also  
21          include in its final order recommendations to the General  
22          Assembly on what additional policies may be adopted that could  
23          avoid future modifications to the emissions reductions.

24          (e) The agencies, electric utilities, and any other  
25          impacted entities shall comply with any of the Commission's  
26          orders, and when required seek approval from the Commission

1 and make any required modifications to their plans, programs,  
2 or related initiatives in a manner consistent with the process  
3 and timing for those changes as outlined in the approved plans  
4 or, if none is specified, as soon as practicable. If the  
5 integrated resource plan approved by the Commission contains  
6 recommendations that are outside the Commission's authority,  
7 the Commission shall communicate any such recommendations to  
8 the Governor and the General Assembly.

9 (f) Given the critical and rapid actions required under  
10 this Section, the Commission may procure the services of any  
11 facilitator, expert, or consultant, including the procurement  
12 monitor retained by the Commission pursuant to paragraph (2)  
13 of subsection (c) of Section 16-111.5. Such procurement is  
14 exempt from the requirements of the Illinois Procurement Code,  
15 pursuant to Section 20-10 of that Code.

16 (g) Costs that are prudently and reasonably incurred by  
17 electric utilities to comply with the requirements of this  
18 Section shall be recovered and shall be excluded from the  
19 calculation performed under paragraph (6) of subsection (f) of  
20 Section 16-108.18. Nothing in the Commission's order directing  
21 changes to a prior approved plan as enumerated in this Section  
22 shall be the sole basis for a finding of imprudence or  
23 unreasonableness or the lack of use or usefulness of any  
24 investment or expenditure.

25 (h) The Commission may adopt rules to implement the  
26 requirements of this Section.



1 (220 ILCS 5/17-900)

2 Sec. 17-900. Customer self-generation of electricity.

3 (a) The General Assembly finds and declares that municipal  
4 systems and electric cooperatives shall continue to be  
5 governed by their respective governing bodies, but that such  
6 governing bodies should recognize and implement policies to  
7 provide the opportunity for their residential and small  
8 commercial customers who wish to self-generate electricity and  
9 for reasonable credits to customers for excess electricity,  
10 balanced against the rights of the other non-self-generating  
11 customers. This includes creating consistent, fair policies  
12 that are accessible to all customers and transparent, fair  
13 processes for raising and addressing any concerns.

14 (b) Customers have the right to install renewable  
15 generating facilities to be located on the customer's premises  
16 or customer's side of the billing meter and that are intended  
17 primarily to offset the customer's own electrical requirements  
18 and produce, consume, and store their own renewable energy  
19 without discriminatory repercussions from an electric  
20 cooperative or municipal system. This includes a customer's  
21 rights to:

22 (1) generate, consume, and deliver excess renewable  
23 energy to the distribution grid and reduce his or her use  
24 of electricity obtained from the grid;

25 (2) use technology to store energy ~~at his or her~~

1 ~~residence;~~

2 (3) interconnect his or her electrical system that  
3 generates renewable energy, stores energy, or any  
4 combination thereof, with the electricity meter on the  
5 customer's premises that is provided by an electric  
6 cooperative or municipal system:

7 (A) in a timely manner;

8 (B) in accordance with requirements established by  
9 the electric cooperative or municipal utility to  
10 ensure the safety of utility workers; and

11 (C) after providing written notice to the electric  
12 cooperative or municipal utility system providing  
13 service in the service territory, installing a  
14 nomenclature plate on the electrical meter panel and  
15 meeting all applicable State and local safety and  
16 electrical code requirements associated with  
17 installing a parallel distributed generation system;  
18 ~~and~~

19 (4) receive fair credit for excess energy delivered to  
20 the distribution grid; and

21 (5) for residential and small commercial customers,  
22 interconnect renewable energy systems sized up to and  
23 including 25 kW AC.

24 (c) The policies of municipal systems and electric  
25 cooperatives regarding self-generation and credits for excess  
26 electricity may reasonably differ from those required of other

1 entities by Article XVI of the Public Utilities Act or other  
2 Acts. The credits must recognize the value of self-generation  
3 to the distribution grid and benefits to other customers.

4 (c-5) The policies of municipal systems and electric  
5 cooperatives regarding self-generation and credits for excess  
6 electricity shall not require customers to name the municipal  
7 system or electric cooperative as an additional insured on the  
8 customer's insurance policies or have any minimum liability  
9 limit requirement in connection with the installation and  
10 operation of renewable generating facilities if the renewable  
11 generating facilities meet the safety standards listed in the  
12 applicable interconnection agreement and the contractor used  
13 to install the renewable generating facilities is licensed and  
14 possesses commercial general liability insurance coverage of  
15 at least \$1,000,000 per occurrence and \$2,000,000 in the  
16 aggregate per year.

17 (d) Within 180 days after this amendatory Act of the 102nd  
18 General Assembly, each electric cooperative and municipal  
19 system shall update its policies for the interconnection and  
20 fair crediting of customer self-generation and storage if  
21 necessary, to comply with the standards of subsection (b) of  
22 this Section. Each electric cooperative and municipal system  
23 shall post its updated policies to a public-facing area of its  
24 website.

25 (e) An electric cooperative or municipal system customer  
26 who produces, consumes, and stores his or her own renewable

1 energy shall not face discriminatory rate design, fees or  
2 charges, treatment, or excessive compliance requirements that  
3 would unreasonably affect that customer's right to  
4 self-generate electricity as provided for in this Section.

5 (f) An electric cooperative or municipal utility system  
6 customer shall have a right to appeal any decision related to  
7 self-generation and storage that violates these rights to  
8 self-generation and non-discrimination pursuant to the  
9 provisions of this Section through a complaint under the  
10 Administrative Review Law or similar legal process.

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

12 (220 ILCS 5/20-140 new)

13 Sec. 20-140. Interconnection Working Group.

14 (a) The Commission shall establish an Interconnection  
15 Working Group. The Working Group shall include representatives  
16 from electric utilities, developers of renewable electric  
17 generating facilities, representatives of new large loads  
18 seeking grid interconnection, other industries that regularly  
19 apply for interconnection with the electric utilities as  
20 appropriate, representatives of distributed generation  
21 customers, the Commission staff, and other stakeholders with a  
22 substantial interest in the topics addressed by the  
23 Interconnection Working Group.

24 (b) The Interconnection Working Group shall address at  
25 least the following issues in relation to new generation and

1 new large loads:

2 (1) the cost of and the best available technology for  
3 interconnection and metering, including the  
4 standardization and publication of standard costs;

5 (2) transparency, accuracy, and use of the  
6 distribution interconnection queue and hosting capacity  
7 maps;

8 (3) distribution system upgrade cost avoidance through  
9 use of advanced inverter functions, energy storage, and  
10 load management;

11 (4) predictability of the queue management process and  
12 enforcement of timelines;

13 (5) benefits and challenges associated with group  
14 studies and cost sharing;

15 (6) minimum requirements for application to the  
16 interconnection process and throughout the interconnection  
17 process to avoid queue clogging behavior;

18 (7) the process and customer service for  
19 interconnecting customers adopting distributed energy  
20 resources, including energy storage;

21 (8) options for metering distributed energy resources,  
22 including energy storage;

23 (9) interconnection of new technologies, including  
24 smart inverters and energy storage;

25 (10) collection, examination, and sharing of data on  
26 Level 1 interconnection costs, including cost and type of

1 upgrades required for interconnection, and the use of this  
2 data to inform the final standardized cost of Level 1  
3 interconnection;

4 (11) determination of a single standardized cost for  
5 Level 1 interconnections, which shall not exceed \$200; and

6 (12) such other technical, policy, and tariff issues  
7 related to and affecting interconnection performance and  
8 customer service as determined by the Interconnection  
9 Working Group.

10 (c) The Commission may create subcommittees of the  
11 Interconnection Working Group to focus on specific issues of  
12 importance, as appropriate.

13 (d) The Interconnection Working Group shall report to the  
14 Commission on recommended improvements to interconnection  
15 rules, tariffs, and policies as determined by the  
16 Interconnection Working Group at least every year. A report  
17 shall include consensus recommendations of the Interconnection  
18 Working Group and, if applicable, additional recommendations  
19 for which consensus was not reached. Non-consensus shall not  
20 be a basis for excluding recommendations that are majority or  
21 minority recommendations. The Commission shall use the report  
22 from the Interconnection Working Group to determine whether  
23 processes should be commenced to formally codify or implement  
24 the recommendations. The Interconnection Working Group shall  
25 provide the reports under this subsection (d) to the  
26 Commission on at least the following topics in the order

1 listed below within a reasonable time after the effective date  
2 of this amendatory Act of the 104th General Assembly: (A) a  
3 mechanism for good cause extensions to construction timelines  
4 as long as the interconnection customer reasonably  
5 demonstrates progress; (B) a mechanism for all electric  
6 utilities to accept cash, letters of credit, or bonds for any  
7 deposits required under the interconnection agreement; (C)  
8 cost sharing for distribution system upgrades and  
9 interconnection facilities for multiple interconnection  
10 customers attempting to interconnect on the same feeder or  
11 substation; and (D) requirements that interconnection studies  
12 process without delay based on queue position or status of  
13 applications ahead in the queue, and associated requirements  
14 for disclosure of contingent upgrades.

15 (d-5) Within 12 months after the report directed by  
16 subsection (d) has been submitted, the Working Group shall  
17 report to the Commission on the following: (A) mandatory  
18 disclosures on the hosting capacity map and studies for  
19 contingent upgrades including timelines for notice of  
20 responsibility and payment; and (B) a framework for concurrent  
21 study on multiple feeders for a distributed energy resource.

22 (d-10) Within 12 months after the report directed by  
23 subsection (d-5) has been submitted, the Working Group shall  
24 report to the Commission on the following: (A) dynamic hosting  
25 capacity maps; (B) standards for public queue and hosting  
26 capacity map information regarding individual projects in

1 queue, including (i) distributed generation nameplate  
2 capacity, (ii) paired or stand-alone energy storage system  
3 nameplate capacity, (iii) detailed estimated upgrade costs,  
4 and (iv) systems that have completed upgrades and withdrawn  
5 projects; and (C) timelines for refund of deposits if the  
6 interconnection agreement is terminated. Within the same time  
7 period, utilities shall publish all final interconnection  
8 agreements, facilities studies, and system impact studies.

9 (d-15) Within 12 months after the report directed by  
10 subsection (d-10) has been submitted, the Working Group shall  
11 report to the Commission on the following: (A) level of detail  
12 of costs in system impact and facilities studies and level 2  
13 studies; and (B) a cap on charges to the interconnection  
14 customer based on a percentage of the non-binding cost  
15 estimate in the facilities study, system impact study, or  
16 level 2 study.

17 (e) In collaboration with the General Counsel of the  
18 Commission, the Office of Retail Market Development shall  
19 develop policies and procedures to facilitate employees of the  
20 Office in leading the Interconnection Working Group without  
21 interference with docketed proceedings. The policies and  
22 procedures developed under this subsection (e) shall be  
23 designed to allow the Interconnection Working Group to work  
24 without interruption.



1       Sec. 20-145. Interconnection Monitor.

2       (a) The Office of Retail Market Development may employ,  
3 designate, or otherwise retain the services of an Ombudsperson  
4 who, in addition to the roles described in this Act, is  
5 responsible for overseeing electric utility compliance with  
6 the standards established by this Section and other regulatory  
7 or statutory obligations regarding interconnections.

8       (b) The Ombudsperson may from time to time request, and  
9 each electric utility shall timely provide records and  
10 information to carry out his or her duties under this Section.

11       (c) The Office shall monitor interconnection between  
12 electric utilities and applicants for interconnection and  
13 interconnection customers. The Office may request, and  
14 electric utilities shall promptly provide, information and  
15 records related to pending, successful, and terminated  
16 interconnections.

17       (d) The Office may require electric utilities to provide a  
18 detailed breakdown of the non-binding costs of operation and  
19 an estimate that transparently itemizes operational costs,  
20 including equipment by type or model, labor, operation and  
21 maintenance, engineering and design, permitting, easements and  
22 rights-of-way, direct overhead, and indirect overhead.

23       (e) The Office may establish an informal interconnection  
24 dispute resolution process that may supersede 83 Ill. Adm.  
25 Code 466.130, 83 Ill. Adm. Code 467.80, and interconnection  
26 agreements to the extent described in this subsection (e).

1 Following the informal process described in this Section,  
2 including any extensions agreed upon by the parties, an  
3 electric utility, an interconnection customer, or an  
4 interconnection applicant may submit the interconnection  
5 dispute to the Ombudsperson, or his or her designee. The  
6 Ombudsperson, or his or her designee, shall provide a  
7 recommended resolution of such dispute within 30 days after  
8 the Ombudsperson determines that full information from all  
9 parties to the dispute has been received. The electric  
10 utility, the interconnection customer, the interconnection  
11 applicant, or any other party authorized to initiate dispute  
12 resolution under the Commission's rules authorized by this Act  
13 may include the Ombudsperson's recommendation in any formal  
14 complaint before the Commission.

15 (f) The Office is encouraged to include at least one  
16 employee, at the Bureau Chief's discretion, with a background  
17 in engineering of renewable resources and distribution  
18 interconnections.

19 Section 90-40. The Electric Transmission Systems  
20 Construction Standards Act is amended by changing Sections 5  
21 and 15 as follows:

22 (220 ILCS 32/5)

23 Sec. 5. Definitions. For the purposes of this Act:

24 "Commission" means the Illinois Commerce Commission.

1 "Construction contractor" means any nonutility entity  
2 responsible for the construction, installation, maintenance,  
3 or repair of electric transmission systems subject to this  
4 Act.

5 "Electric transmission systems" means an electrical  
6 transmission system designed and constructed with the  
7 capability of being safely and reliably energized at 69  
8 kilovolts or more, including transmission lines, transmission  
9 towers, conductors, insulators, foundations, grounding  
10 systems, access roads, and all associated transmission  
11 facilities, including transmission substations. "Electric  
12 transmission systems" does not include projects located on the  
13 electric generating facility's side of the facility's point of  
14 interconnection or facilities not functionally classified as  
15 transmission systems, regardless of voltage.

16 "OSHA" means Occupational Safety and Health  
17 Administration.

18 "Utility" means an entity that is a public utility, as  
19 defined in Section 3-105 of the Public Utilities Act, and that  
20 serves residential customers. ~~has the meaning given to that~~  
21 ~~term in Section 3-105 of the Public Utilities Act.~~

22 (Source: P.A. 103-1066, eff. 2-20-25.)

23 (220 ILCS 32/15)

24 Sec. 15. Requirements for construction contractors.

25 (a) Prevailing wage compliance. All ~~utilities~~ and

1 construction contractors responsible for the construction,  
2 installation, maintenance, or repair of electric transmission  
3 systems shall pay employees performing the construction,  
4 installation, maintenance, or repair work of such systems  
5 wages and benefits consistent with the Prevailing Wage Act.

6 (b) Training and competence requirement. To ensure safety  
7 and reliability in the construction, installation,  
8 maintenance, and repair of electric transmission systems, each  
9 ~~electric utility and~~ construction contractor must demonstrate  
10 the competence of their employees who are performing the work  
11 of construction, installation, maintenance, or repair of  
12 electric transmission systems, which shall be consistent with  
13 the standards required by Illinois utilities as of January 1,  
14 2007, or greater. Competence must include, at a minimum: (1)  
15 completion, or active participation with ultimate completion,  
16 in an accredited or recognized apprenticeship program for the  
17 relevant craft, trade, or skill; or (2) a minimum of 2 years of  
18 direct employment in the specific work function.

19 The Commission shall oversee compliance to ensure  
20 employees meet these standards.

21 (c) Safety training. All employees engaged in the  
22 construction, installation, maintenance, or repair of electric  
23 transmission systems must successfully complete OSHA-certified  
24 safety training required for their specific roles on the  
25 project site.

26 (d) Diversity Plan.

1           (1) All construction contractors engaged in the  
2 construction, installation, maintenance, or repair of  
3 electric transmission systems shall develop a Diversity  
4 Plan that sets forth:

5           (A) the goals for apprenticeship hours to be  
6 performed by minorities and women;

7           (B) the goals for total hours to be performed by  
8 underrepresented minorities and women; and

9           (C) spending for women-owned, minority-owned,  
10 veteran-owned, and small business enterprises in the  
11 previous calendar year.

12          (2) These goals shall be expressed as a percentage of  
13 the total work performed by the construction contractor  
14 submitting the plan and the actual spending for all  
15 women-owned, minority-owned, veteran-owned, and small  
16 business enterprises shall also be expressed as a  
17 percentage of the total work performed by the construction  
18 contractor submitting the Diversity Plan.

19          (3) For purposes of the Diversity Plan, minorities and  
20 women shall have the same definition as defined in the  
21 Business Enterprise for Minorities, Women, and Persons  
22 with Disabilities Act.

23          (4) The construction contractor shall submit the  
24 Diversity Plan to the Commission.

25 (Source: P.A. 103-1066, eff. 2-20-25.)

1           Section 90-45. The Environmental Protection Act is amended  
2 by changing Sections 9.15 and 39 as follows:

3           (415 ILCS 5/9.15)

4           Sec. 9.15. Greenhouse gases.

5           (a) An air pollution construction permit shall not be  
6 required due to emissions of greenhouse gases if the  
7 equipment, site, or source is not subject to regulation, as  
8 defined by 40 CFR 52.21, as now or hereafter amended, for  
9 greenhouse gases or is otherwise not addressed in this Section  
10 or by the Board in regulations for greenhouse gases. These  
11 exemptions do not relieve an owner or operator from the  
12 obligation to comply with other applicable rules or  
13 regulations.

14           (b) An air pollution operating permit shall not be  
15 required due to emissions of greenhouse gases if the  
16 equipment, site, or source is not subject to regulation, as  
17 defined by Section 39.5 of this Act, for greenhouse gases or is  
18 otherwise not addressed in this Section or by the Board in  
19 regulations for greenhouse gases. These exemptions do not  
20 relieve an owner or operator from the obligation to comply  
21 with other applicable rules or regulations.

22           (c) (Blank).

23           (d) (Blank).

24           (e) (Blank).

25           (f) As used in this Section:

1 "Carbon dioxide emission" means the plant annual CO<sub>2</sub> total  
2 output emission as measured by the United States Environmental  
3 Protection Agency in its Emissions & Generation Resource  
4 Integrated Database (eGrid), or its successor.

5 "Carbon dioxide equivalent emissions" or "CO<sub>2</sub>e" means the  
6 sum total of the mass amount of emissions in tons per year,  
7 calculated by multiplying the mass amount of each of the 6  
8 greenhouse gases specified in Section 3.207, in tons per year,  
9 by its associated global warming potential as set forth in 40  
10 CFR 98, subpart A, table A-1 or its successor, and then adding  
11 them all together.

12 "Cogeneration" or "combined heat and power" refers to any  
13 system that, either simultaneously or sequentially, produces  
14 electricity and useful thermal energy from a single fuel  
15 source.

16 "Copollutants" refers to the 6 criteria pollutants that  
17 have been identified by the United States Environmental  
18 Protection Agency pursuant to the Clean Air Act.

19 "Electric generating unit" or "EGU" means a fossil  
20 fuel-fired stationary boiler, combustion turbine, or combined  
21 cycle system that serves a generator that has a nameplate  
22 capacity greater than 25 MWe and produces electricity for  
23 sale.

24 "Environmental justice community" means the definition of  
25 that term based on existing methodologies and findings, used  
26 and as may be updated by the Illinois Power Agency and its

1 program administrator in the Illinois Solar for All Program.

2 "Equity investment eligible community" or "eligible  
3 community" means the geographic areas throughout Illinois that  
4 would most benefit from equitable investments by the State  
5 designed to combat discrimination and foster sustainable  
6 economic growth. Specifically, eligible community means the  
7 following areas:

8 (1) areas where residents have been historically  
9 excluded from economic opportunities, including  
10 opportunities in the energy sector, as defined as R3 areas  
11 pursuant to Section 10-40 of the Cannabis Regulation and  
12 Tax Act; and

13 (2) areas where residents have been historically  
14 subject to disproportionate burdens of pollution,  
15 including pollution from the energy sector, as established  
16 by environmental justice communities as defined by the  
17 Illinois Power Agency pursuant to the Illinois Power  
18 Agency Act, excluding any racial or ethnic indicators.

19 "Equity investment eligible person" or "eligible person"  
20 means the persons who would most benefit from equitable  
21 investments by the State designed to combat discrimination and  
22 foster sustainable economic growth. Specifically, eligible  
23 person means the following people:

24 (1) persons whose primary residence is in an equity  
25 investment eligible community;

26 (2) persons whose primary residence is in a



1 municipality, or a county with a population under 100,000,  
2 where the closure of an electric generating unit or mine  
3 has been publicly announced or the electric generating  
4 unit or mine is in the process of closing or closed within  
5 the last 5 years;

6 (3) persons who are graduates of or currently enrolled  
7 in the foster care system; or

8 (4) persons who were formerly incarcerated.

9 "Existing emissions" means:

10 (1) for CO<sub>2</sub>e, the total average tons-per-year of CO<sub>2</sub>e  
11 emitted by the EGU or large GHG-emitting unit either in  
12 the years 2018 through 2020 or, if the unit was not yet in  
13 operation by January 1, 2018, in the first 3 full years of  
14 that unit's operation; and

15 (2) for any copollutant, the total average  
16 tons-per-year of that copollutant emitted by the EGU or  
17 large GHG-emitting unit either in the years 2018 through  
18 2020 or, if the unit was not yet in operation by January 1,  
19 2018, in the first 3 full years of that unit's operation.

20 "Green hydrogen" means a power plant technology in which  
21 an EGU creates electric power exclusively from electrolytic  
22 hydrogen, in a manner that produces zero carbon and  
23 copollutant emissions, using hydrogen fuel that is  
24 electrolyzed using a 100% renewable zero carbon emission  
25 energy source.

26 "Large greenhouse gas-emitting unit" or "large

1 GHG-emitting unit" means a unit that is an electric generating  
2 unit or other fossil fuel-fired unit that itself has a  
3 nameplate capacity or serves a generator that has a nameplate  
4 capacity greater than 25 MWe and that produces electricity,  
5 including, but not limited to, coal-fired, coal-derived,  
6 oil-fired, natural gas-fired, and cogeneration units.

7 "NO<sub>x</sub> emission rate" means the plant annual NO<sub>x</sub> total output  
8 emission rate as measured by the United States Environmental  
9 Protection Agency in its Emissions & Generation Resource  
10 Integrated Database (eGrid), or its successor, in the most  
11 recent year for which data is available.

12 "Public greenhouse gas-emitting units" or "public  
13 GHG-emitting unit" means large greenhouse gas-emitting units,  
14 including EGUs, that are wholly owned, directly or indirectly,  
15 by one or more municipalities, municipal corporations, joint  
16 municipal electric power agencies, electric cooperatives, or  
17 other governmental or nonprofit entities, whether organized  
18 and created under the laws of Illinois or another state.

19 "SO<sub>2</sub> emission rate" means the "plant annual SO<sub>2</sub> total  
20 output emission rate" as measured by the United States  
21 Environmental Protection Agency in its Emissions & Generation  
22 Resource Integrated Database (eGrid), or its successor, in the  
23 most recent year for which data is available.

24 (g) All EGUs and large greenhouse gas-emitting units that  
25 use coal or oil as a fuel and are not public GHG-emitting units  
26 shall permanently reduce all CO<sub>2</sub>e and copollutant emissions to

1 zero no later than January 1, 2030.

2 (h) All EGUs and large greenhouse gas-emitting units that  
3 use coal as a fuel and are public GHG-emitting units shall  
4 permanently reduce CO<sub>2</sub>e emissions to zero no later than  
5 December 31, 2045. Any source or plant with such units must  
6 also reduce their CO<sub>2</sub>e emissions by 45% from existing  
7 emissions by no later than January 1, 2035. If the emissions  
8 reduction requirement is not achieved by December 31, 2035,  
9 the plant shall retire one or more units or otherwise reduce  
10 its CO<sub>2</sub>e emissions by 45% from existing emissions by June 30,  
11 2038.

12 (i) All EGUs and large greenhouse gas-emitting units that  
13 use gas as a fuel and are not public GHG-emitting units shall  
14 permanently reduce all CO<sub>2</sub>e and copollutant emissions to zero,  
15 including through unit retirement or the use of 100% green  
16 hydrogen or other similar technology that is commercially  
17 proven to achieve zero carbon emissions, according to the  
18 following:

19 (1) No later than January 1, 2030: all EGUs and large  
20 greenhouse gas-emitting units that have a NO<sub>x</sub> emissions  
21 rate of greater than 0.12 lbs/MWh or a SO<sub>2</sub> emission rate of  
22 greater than 0.006 lb/MWh, and are located in or within 3  
23 miles of an environmental justice community designated as  
24 of January 1, 2021 or an equity investment eligible  
25 community.

26 (2) No later than January 1, 2040: all EGUs and large

1 greenhouse gas-emitting units that have a NO<sub>x</sub> emission  
2 rate of greater than 0.12 lbs/MWh or a SO<sub>2</sub> emission rate  
3 greater than 0.006 lb/MWh, and are not located in or  
4 within 3 miles of an environmental justice community  
5 designated as of January 1, 2021 or an equity investment  
6 eligible community. After January 1, 2035, each such EGU  
7 and large greenhouse gas-emitting unit shall reduce its  
8 CO<sub>2</sub>e emissions by at least 50% from its existing emissions  
9 for CO<sub>2</sub>e, and shall be limited in operation to, on average,  
10 6 hours or less per day, measured over a calendar year, and  
11 shall not run for more than 24 consecutive hours except in  
12 emergency conditions, as designated by a Regional  
13 Transmission Organization or Independent System Operator.

14 (3) No later than January 1, 2035: all EGUs and large  
15 greenhouse gas-emitting units that began operation prior  
16 to the effective date of this amendatory Act of the 102nd  
17 General Assembly and have a NO<sub>x</sub> emission rate of less than  
18 or equal to 0.12 lb/MWh and a SO<sub>2</sub> emission rate less than  
19 or equal to 0.006 lb/MWh, and are located in or within 3  
20 miles of an environmental justice community designated as  
21 of January 1, 2021 or an equity investment eligible  
22 community. Each such EGU and large greenhouse gas-emitting  
23 unit shall reduce its CO<sub>2</sub>e emissions by at least 50% from  
24 its existing emissions for CO<sub>2</sub>e no later than January 1,  
25 2030.

26 (4) No later than January 1, 2040: All remaining EGUs

1 and large greenhouse gas-emitting units that have a heat  
2 rate greater than or equal to 7000 BTU/kWh. Each such EGU  
3 and Large greenhouse gas-emitting unit shall reduce its  
4 CO<sub>2</sub>e emissions by at least 50% from its existing emissions  
5 for CO<sub>2</sub>e no later than January 1, 2035.

6 (5) No later than January 1, 2045: all remaining EGUs  
7 and large greenhouse gas-emitting units.

8 (j) All EGUs and large greenhouse gas-emitting units that  
9 use gas as a fuel and are public GHG-emitting units shall  
10 permanently reduce all CO<sub>2</sub>e and copollutant emissions to zero,  
11 including through unit retirement or the use of 100% green  
12 hydrogen or other similar technology that is commercially  
13 proven to achieve zero carbon emissions by January 1, 2045.

14 (k) All EGUs and large greenhouse gas-emitting units that  
15 utilize combined heat and power or cogeneration technology  
16 shall permanently reduce all CO<sub>2</sub>e and copollutant emissions to  
17 zero, including through unit retirement or the use of 100%  
18 green hydrogen or other similar technology that is  
19 commercially proven to achieve zero carbon emissions by  
20 January 1, 2045.

21 (k-5) No EGU or large greenhouse gas-emitting unit that  
22 uses gas as a fuel and is not a public GHG-emitting unit may  
23 emit, in any 12-month period, CO<sub>2</sub>e or copollutants in excess of  
24 that unit's existing emissions for those pollutants.

25 (l) Notwithstanding subsections (g) through (k-5), large  
26 GHG-emitting units including EGUs may temporarily continue

1 emitting CO<sub>2</sub>e and copollutants after any applicable deadline  
2 specified in any of subsections (g) through (k-5) if it has  
3 been determined, as described in paragraphs (1) and (2) of  
4 this subsection, that ongoing operation of the EGU is  
5 necessary to maintain power grid supply and reliability or  
6 ongoing operation of large GHG-emitting unit that is not an  
7 EGU is necessary to serve as an emergency backup to  
8 operations. Up to and including the occurrence of an emission  
9 reduction deadline under subsection (i), all EGUs and large  
10 GHG-emitting units must comply with the following terms:

11 (1) if an EGU or large GHG-emitting unit that is a  
12 participant in a regional transmission organization  
13 intends to retire, it must submit documentation to the  
14 appropriate regional transmission organization by the  
15 appropriate deadline that meets all applicable regulatory  
16 requirements necessary to obtain approval to permanently  
17 cease operating the large GHG-emitting unit;

18 (2) if any EGU or large GHG-emitting unit that is a  
19 participant in a regional transmission organization  
20 receives notice that the regional transmission  
21 organization has determined that continued operation of  
22 the unit is required, the unit may continue operating  
23 until the issue identified by the regional transmission  
24 organization is resolved. The owner or operator of the  
25 unit must cooperate with the regional transmission  
26 organization in resolving the issue and must reduce its

1 emissions to zero, consistent with the requirements under  
2 subsection (g), (h), (i), (j), (k), or (k-5), as  
3 applicable, as soon as practicable when the issue  
4 identified by the regional transmission organization is  
5 resolved; and

6 (3) any large GHG-emitting unit that is not a  
7 participant in a regional transmission organization shall  
8 be allowed to continue emitting CO<sub>2</sub>e and copollutants  
9 after the zero-emission date specified in subsection (g),  
10 (h), (i), (j), (k), or (k-5), as applicable, in the  
11 capacity of an emergency backup unit if approved by the  
12 Illinois Commerce Commission.

13 (m) No variance, adjusted standard, or other regulatory  
14 relief otherwise available in this Act may be granted to the  
15 emissions reduction and elimination obligations in this  
16 Section.

17 (n) By June 30 of each year, beginning in 2025, the Agency  
18 shall prepare and publish on its website a report setting  
19 forth the actual greenhouse gas emissions from individual  
20 units and the aggregate statewide emissions from all units for  
21 the prior year.

22 (o) ~~The Every 5 years beginning in 2025,~~ the Environmental  
23 Protection Agency, Illinois Power Agency, and Illinois  
24 Commerce Commission shall jointly prepare, and release  
25 publicly, a report to the General Assembly that examines the  
26 State's current progress toward its renewable energy resource

1 development goals, the status of CO<sub>2</sub>e and copollutant  
2 emissions reductions, the current status and progress toward  
3 developing and implementing green hydrogen technologies, the  
4 current and projected status of electric resource adequacy and  
5 reliability throughout the State for the period beginning 5  
6 years ahead, and proposed solutions for any findings. The  
7 Environmental Protection Agency, Illinois Power Agency, and  
8 Illinois Commerce Commission shall consult PJM  
9 Interconnection, LLC and Midcontinent Independent System  
10 Operator, Inc., or their respective successor organizations  
11 regarding forecasted resource adequacy and reliability needs,  
12 anticipated new generation interconnection, new transmission  
13 development or upgrades, and any announced large GHG-emitting  
14 unit closure dates and include this information in the report.  
15 The report shall be released publicly by no later than  
16 December 15, 2025 or the effective date of this amendatory Act  
17 of the 104th General Assembly, whichever is later ~~of the year~~  
18 ~~it is prepared~~. If the Environmental Protection Agency,  
19 Illinois Power Agency, and Illinois Commerce Commission  
20 jointly conclude in the report that the data from the regional  
21 grid operators, the pace of renewable energy development, the  
22 pace of development of energy storage and demand response  
23 utilization, transmission capacity, and the CO<sub>2</sub>e and  
24 copollutant emissions reductions required by subsection (i) or  
25 (k-5) reasonably demonstrate that a resource adequacy  
26 shortfall will occur, including whether there will be



1 sufficient in-state capacity to meet the zonal requirements of  
2 MISO Zone 4 or the PJM ComEd Zone, per the requirements of the  
3 regional transmission organizations, or that the regional  
4 transmission operators determine that a reliability violation  
5 will occur during the time frame the study is evaluating, then  
6 the Illinois Power Agency, in conjunction with the  
7 Environmental Protection Agency shall develop a plan to reduce  
8 or delay CO<sub>2</sub>e and copollutant emissions reductions  
9 requirements only to the extent and for the duration necessary  
10 to meet the resource adequacy and reliability needs of the  
11 State, including allowing any plants whose emission reduction  
12 deadline has been identified in the plan as creating a  
13 reliability concern to continue operating, including operating  
14 with reduced emissions or as emergency backup where  
15 appropriate. The plan shall also consider the use of renewable  
16 energy, energy storage, demand response, transmission  
17 development, or other strategies to resolve the identified  
18 resource adequacy shortfall or reliability violation.

19 (1) In developing the plan, the Environmental  
20 Protection Agency and the Illinois Power Agency shall hold  
21 at least one workshop open to, and accessible at a time and  
22 place convenient to, the public and shall consider any  
23 comments made by stakeholders or the public. Upon  
24 development of the plan, copies of the plan shall be  
25 posted and made publicly available on the Environmental  
26 Protection Agency's, the Illinois Power Agency's, and the

1 Illinois Commerce Commission's websites. All interested  
2 parties shall have 60 days following the date of posting  
3 to provide comment to the Environmental Protection Agency  
4 and the Illinois Power Agency on the plan. All comments  
5 submitted to the Environmental Protection Agency and the  
6 Illinois Power Agency shall be encouraged to be specific,  
7 supported by data or other detailed analyses, and, if  
8 objecting to all or a portion of the plan, accompanied by  
9 specific alternative wording or proposals. All comments  
10 shall be posted on the Environmental Protection Agency's,  
11 the Illinois Power Agency's, and the Illinois Commerce  
12 Commission's websites. Within 30 days following the end of  
13 the 60-day review period, the Environmental Protection  
14 Agency and the Illinois Power Agency shall revise the plan  
15 as necessary based on the comments received and file its  
16 revised plan with the Illinois Commerce Commission for  
17 approval.

18 (2) Within 60 days after the filing of the revised  
19 plan at the Illinois Commerce Commission, any person  
20 objecting to the plan shall file an objection with the  
21 Illinois Commerce Commission. Within 30 days after the  
22 expiration of the comment period, the Illinois Commerce  
23 Commission shall determine whether an evidentiary hearing  
24 is necessary. The Illinois Commerce Commission shall also  
25 host 3 public hearings within 90 days after the plan is  
26 filed. Following the evidentiary and public hearings, the

1 Illinois Commerce Commission shall enter its order  
2 approving or approving with modifications the reliability  
3 mitigation plan within 180 days.

4 (3) The Illinois Commerce Commission shall only  
5 approve the plan if the Illinois Commerce Commission  
6 determines that it will resolve the resource adequacy or  
7 reliability deficiency identified in the reliability  
8 mitigation plan at the least amount of CO<sub>2</sub>e and copollutant  
9 emissions, taking into consideration the emissions impacts  
10 on environmental justice communities, and that it will  
11 ensure adequate, reliable, affordable, efficient, and  
12 environmentally sustainable electric service at the lowest  
13 total cost over time, taking into account the impact of  
14 increases in emissions.

15 (4) If the resource adequacy or reliability deficiency  
16 identified in the reliability mitigation plan is resolved  
17 or reduced, the Environmental Protection Agency and the  
18 Illinois Power Agency may file an amended plan adjusting  
19 the reduction or delay in CO<sub>2</sub>e and copollutant emission  
20 reduction requirements identified in the plan.

21 (Source: P.A. 102-662, eff. 9-15-21; 102-1031, eff. 5-27-22.)

22 (415 ILCS 5/39) (from Ch. 111 1/2, par. 1039)

23 Sec. 39. Issuance of permits; procedures.

24 (a) When the Board has by regulation required a permit for  
25 the construction, installation, or operation of any type of

1 facility, equipment, vehicle, vessel, or aircraft, the  
2 applicant shall apply to the Agency for such permit and it  
3 shall be the duty of the Agency to issue such a permit upon  
4 proof by the applicant that the facility, equipment, vehicle,  
5 vessel, or aircraft will not cause a violation of this Act or  
6 of regulations hereunder. The Agency shall adopt such  
7 procedures as are necessary to carry out its duties under this  
8 Section. In making its determinations on permit applications  
9 under this Section the Agency may consider prior adjudications  
10 of noncompliance with this Act by the applicant that involved  
11 a release of a contaminant into the environment. In granting  
12 permits, the Agency may impose reasonable conditions  
13 specifically related to the applicant's past compliance  
14 history with this Act as necessary to correct, detect, or  
15 prevent noncompliance. The Agency may impose such other  
16 conditions as may be necessary to accomplish the purposes of  
17 this Act, and as are not inconsistent with the regulations  
18 promulgated by the Board hereunder. Except as otherwise  
19 provided in this Act, a bond or other security shall not be  
20 required as a condition for the issuance of a permit. If the  
21 Agency denies any permit under this Section, the Agency shall  
22 transmit to the applicant within the time limitations of this  
23 Section specific, detailed statements as to the reasons the  
24 permit application was denied. Such statements shall include,  
25 but not be limited to, the following:

26 (i) the Sections of this Act which may be violated if

1 the permit were granted;

2 (ii) the provision of the regulations, promulgated  
3 under this Act, which may be violated if the permit were  
4 granted;

5 (iii) the specific type of information, if any, which  
6 the Agency deems the applicant did not provide the Agency;  
7 and

8 (iv) a statement of specific reasons why the Act and  
9 the regulations might not be met if the permit were  
10 granted.

11 If there is no final action by the Agency within 90 days  
12 after the filing of the application for permit, the applicant  
13 may deem the permit issued; except that this time period shall  
14 be extended to 180 days when (1) notice and opportunity for  
15 public hearing are required by State or federal law or  
16 regulation, (2) the application which was filed is for any  
17 permit to develop a landfill subject to issuance pursuant to  
18 this subsection, or (3) the application that was filed is for a  
19 MSWLF unit required to issue public notice under subsection  
20 (p) of Section 39. The 90-day and 180-day time periods for the  
21 Agency to take final action do not apply to NPDES permit  
22 applications under subsection (b) of this Section, to RCRA  
23 permit applications under subsection (d) of this Section, to  
24 UIC permit applications under subsection (e) of this Section,  
25 or to CCR surface impoundment applications under subsection  
26 (y) of this Section.

1           The Agency shall publish notice of all final permit  
2 determinations for development permits for MSWLF units and for  
3 significant permit modifications for lateral expansions for  
4 existing MSWLF units one time in a newspaper of general  
5 circulation in the county in which the unit is or is proposed  
6 to be located.

7           After January 1, 1994 and until July 1, 1998, operating  
8 permits issued under this Section by the Agency for sources of  
9 air pollution permitted to emit less than 25 tons per year of  
10 any combination of regulated air pollutants, as defined in  
11 Section 39.5 of this Act, shall be required to be renewed only  
12 upon written request by the Agency consistent with applicable  
13 provisions of this Act and regulations promulgated hereunder.  
14 Such operating permits shall expire 180 days after the date of  
15 such a request. The Board shall revise its regulations for the  
16 existing State air pollution operating permit program  
17 consistent with this provision by January 1, 1994.

18           After June 30, 1998, operating permits issued under this  
19 Section by the Agency for sources of air pollution that are not  
20 subject to Section 39.5 of this Act and are not required to  
21 have a federally enforceable State operating permit shall be  
22 required to be renewed only upon written request by the Agency  
23 consistent with applicable provisions of this Act and its  
24 rules. Such operating permits shall expire 180 days after the  
25 date of such a request. Before July 1, 1998, the Board shall  
26 revise its rules for the existing State air pollution

1 operating permit program consistent with this paragraph and  
2 shall adopt rules that require a source to demonstrate that it  
3 qualifies for a permit under this paragraph.

4 Each air pollution construction permit for fossil  
5 fuel-fired power backup generators to a source that is a data  
6 center, as defined in subsection (c) of Section 605-1025 of  
7 the Department of Commerce and Economic Opportunity Law of the  
8 Civil Administrative Code of Illinois, that is applied for 6  
9 months after the effective date of this amendatory Act of the  
10 104th General Assembly and that is required to have a  
11 federally enforceable State operating permit or a Clean Air  
12 Act Permit Program permit shall, in addition to any other  
13 applicable requirements, require each generator to: (i) meet  
14 standards at least as protective as Tier 4 standards for  
15 non-road diesel engines set out by the United States  
16 Environmental Protection Agency in 40 CFR 1039, as it exists  
17 on the effective date of this amendatory Act of the 104th  
18 General Assembly; and (ii) operate solely as an emergency or  
19 standby unit in accordance with 35 Ill. Adm. Code 211.1920, as  
20 it exists on the effective date of this amendatory Act of the  
21 104th General Assembly.

22 (b) The Agency may issue NPDES permits exclusively under  
23 this subsection for the discharge of contaminants from point  
24 sources into navigable waters, all as defined in the Federal  
25 Water Pollution Control Act, as now or hereafter amended,  
26 within the jurisdiction of the State, or into any well.

1 All NPDES permits shall contain those terms and  
2 conditions, including, but not limited to, schedules of  
3 compliance, which may be required to accomplish the purposes  
4 and provisions of this Act.

5 The Agency may issue general NPDES permits for discharges  
6 from categories of point sources which are subject to the same  
7 permit limitations and conditions. Such general permits may be  
8 issued without individual applications and shall conform to  
9 regulations promulgated under Section 402 of the Federal Water  
10 Pollution Control Act, as now or hereafter amended.

11 The Agency may include, among such conditions, effluent  
12 limitations and other requirements established under this Act,  
13 Board regulations, the Federal Water Pollution Control Act, as  
14 now or hereafter amended, and regulations pursuant thereto,  
15 and schedules for achieving compliance therewith at the  
16 earliest reasonable date.

17 The Agency shall adopt filing requirements and procedures  
18 which are necessary and appropriate for the issuance of NPDES  
19 permits, and which are consistent with the Act or regulations  
20 adopted by the Board, and with the Federal Water Pollution  
21 Control Act, as now or hereafter amended, and regulations  
22 pursuant thereto.

23 The Agency, subject to any conditions which may be  
24 prescribed by Board regulations, may issue NPDES permits to  
25 allow discharges beyond deadlines established by this Act or  
26 by regulations of the Board without the requirement of a



1 variance, subject to the Federal Water Pollution Control Act,  
2 as now or hereafter amended, and regulations pursuant thereto.

3 (c) Except for those facilities owned or operated by  
4 sanitary districts organized under the Metropolitan Water  
5 Reclamation District Act, no permit for the development or  
6 construction of a new pollution control facility may be  
7 granted by the Agency unless the applicant submits proof to  
8 the Agency that the location of the facility has been approved  
9 by the county board of the county if in an unincorporated area,  
10 or the governing body of the municipality when in an  
11 incorporated area, in which the facility is to be located in  
12 accordance with Section 39.2 of this Act. For purposes of this  
13 subsection (c), and for purposes of Section 39.2 of this Act,  
14 the appropriate county board or governing body of the  
15 municipality shall be the county board of the county or the  
16 governing body of the municipality in which the facility is to  
17 be located as of the date when the application for siting  
18 approval is filed.

19 In the event that siting approval granted pursuant to  
20 Section 39.2 has been transferred to a subsequent owner or  
21 operator, that subsequent owner or operator may apply to the  
22 Agency for, and the Agency may grant, a development or  
23 construction permit for the facility for which local siting  
24 approval was granted. Upon application to the Agency for a  
25 development or construction permit by that subsequent owner or  
26 operator, the permit applicant shall cause written notice of

1 the permit application to be served upon the appropriate  
2 county board or governing body of the municipality that  
3 granted siting approval for that facility and upon any party  
4 to the siting proceeding pursuant to which siting approval was  
5 granted. In that event, the Agency shall conduct an evaluation  
6 of the subsequent owner or operator's prior experience in  
7 waste management operations in the manner conducted under  
8 subsection (i) of Section 39 of this Act.

9 Beginning August 20, 1993, if the pollution control  
10 facility consists of a hazardous or solid waste disposal  
11 facility for which the proposed site is located in an  
12 unincorporated area of a county with a population of less than  
13 100,000 and includes all or a portion of a parcel of land that  
14 was, on April 1, 1993, adjacent to a municipality having a  
15 population of less than 5,000, then the local siting review  
16 required under this subsection (c) in conjunction with any  
17 permit applied for after that date shall be performed by the  
18 governing body of that adjacent municipality rather than the  
19 county board of the county in which the proposed site is  
20 located; and for the purposes of that local siting review, any  
21 references in this Act to the county board shall be deemed to  
22 mean the governing body of that adjacent municipality;  
23 provided, however, that the provisions of this paragraph shall  
24 not apply to any proposed site which was, on April 1, 1993,  
25 owned in whole or in part by another municipality.

26 In the case of a pollution control facility for which a

1 development permit was issued before November 12, 1981, if an  
2 operating permit has not been issued by the Agency prior to  
3 August 31, 1989 for any portion of the facility, then the  
4 Agency may not issue or renew any development permit nor issue  
5 an original operating permit for any portion of such facility  
6 unless the applicant has submitted proof to the Agency that  
7 the location of the facility has been approved by the  
8 appropriate county board or municipal governing body pursuant  
9 to Section 39.2 of this Act.

10 After January 1, 1994, if a solid waste disposal facility,  
11 any portion for which an operating permit has been issued by  
12 the Agency, has not accepted waste disposal for 5 or more  
13 consecutive calendar years, before that facility may accept  
14 any new or additional waste for disposal, the owner and  
15 operator must obtain a new operating permit under this Act for  
16 that facility unless the owner and operator have applied to  
17 the Agency for a permit authorizing the temporary suspension  
18 of waste acceptance. The Agency may not issue a new operation  
19 permit under this Act for the facility unless the applicant  
20 has submitted proof to the Agency that the location of the  
21 facility has been approved or re-approved by the appropriate  
22 county board or municipal governing body under Section 39.2 of  
23 this Act after the facility ceased accepting waste.

24 Except for those facilities owned or operated by sanitary  
25 districts organized under the Metropolitan Water Reclamation  
26 District Act, and except for new pollution control facilities

1 governed by Section 39.2, and except for fossil fuel mining  
2 facilities, the granting of a permit under this Act shall not  
3 relieve the applicant from meeting and securing all necessary  
4 zoning approvals from the unit of government having zoning  
5 jurisdiction over the proposed facility.

6 Before beginning construction on any new sewage treatment  
7 plant or sludge drying site to be owned or operated by a  
8 sanitary district organized under the Metropolitan Water  
9 Reclamation District Act for which a new permit (rather than  
10 the renewal or amendment of an existing permit) is required,  
11 such sanitary district shall hold a public hearing within the  
12 municipality within which the proposed facility is to be  
13 located, or within the nearest community if the proposed  
14 facility is to be located within an unincorporated area, at  
15 which information concerning the proposed facility shall be  
16 made available to the public, and members of the public shall  
17 be given the opportunity to express their views concerning the  
18 proposed facility.

19 The Agency may issue a permit for a municipal waste  
20 transfer station without requiring approval pursuant to  
21 Section 39.2 provided that the following demonstration is  
22 made:

23 (1) the municipal waste transfer station was in  
24 existence on or before January 1, 1979 and was in  
25 continuous operation from January 1, 1979 to January 1,  
26 1993;

1           (2) the operator submitted a permit application to the  
2           Agency to develop and operate the municipal waste transfer  
3           station during April of 1994;

4           (3) the operator can demonstrate that the county board  
5           of the county, if the municipal waste transfer station is  
6           in an unincorporated area, or the governing body of the  
7           municipality, if the station is in an incorporated area,  
8           does not object to resumption of the operation of the  
9           station; and

10          (4) the site has local zoning approval.

11          (d) The Agency may issue RCRA permits exclusively under  
12          this subsection to persons owning or operating a facility for  
13          the treatment, storage, or disposal of hazardous waste as  
14          defined under this Act. Subsection (y) of this Section, rather  
15          than this subsection (d), shall apply to permits issued for  
16          CCR surface impoundments.

17          All RCRA permits shall contain those terms and conditions,  
18          including, but not limited to, schedules of compliance, which  
19          may be required to accomplish the purposes and provisions of  
20          this Act. The Agency may include among such conditions  
21          standards and other requirements established under this Act,  
22          Board regulations, the Resource Conservation and Recovery Act  
23          of 1976 (P.L. 94-580), as amended, and regulations pursuant  
24          thereto, and may include schedules for achieving compliance  
25          therewith as soon as possible. The Agency shall require that a  
26          performance bond or other security be provided as a condition

1 for the issuance of a RCRA permit.

2 In the case of a permit to operate a hazardous waste or PCB  
3 incinerator as defined in subsection (k) of Section 44, the  
4 Agency shall require, as a condition of the permit, that the  
5 operator of the facility perform such analyses of the waste to  
6 be incinerated as may be necessary and appropriate to ensure  
7 the safe operation of the incinerator.

8 The Agency shall adopt filing requirements and procedures  
9 which are necessary and appropriate for the issuance of RCRA  
10 permits, and which are consistent with the Act or regulations  
11 adopted by the Board, and with the Resource Conservation and  
12 Recovery Act of 1976 (P.L. 94-580), as amended, and  
13 regulations pursuant thereto.

14 The applicant shall make available to the public for  
15 inspection all documents submitted by the applicant to the  
16 Agency in furtherance of an application, with the exception of  
17 trade secrets, at the office of the county board or governing  
18 body of the municipality. Such documents may be copied upon  
19 payment of the actual cost of reproduction during regular  
20 business hours of the local office. The Agency shall issue a  
21 written statement concurrent with its grant or denial of the  
22 permit explaining the basis for its decision.

23 (e) The Agency may issue UIC permits exclusively under  
24 this subsection to persons owning or operating a facility for  
25 the underground injection of contaminants as defined under  
26 this Act.

1 All UIC permits shall contain those terms and conditions,  
2 including, but not limited to, schedules of compliance, which  
3 may be required to accomplish the purposes and provisions of  
4 this Act. The Agency may include among such conditions  
5 standards and other requirements established under this Act,  
6 Board regulations, the Safe Drinking Water Act (P.L. 93-523),  
7 as amended, and regulations pursuant thereto, and may include  
8 schedules for achieving compliance therewith. The Agency shall  
9 require that a performance bond or other security be provided  
10 as a condition for the issuance of a UIC permit.

11 The Agency shall adopt filing requirements and procedures  
12 which are necessary and appropriate for the issuance of UIC  
13 permits, and which are consistent with the Act or regulations  
14 adopted by the Board, and with the Safe Drinking Water Act  
15 (P.L. 93-523), as amended, and regulations pursuant thereto.

16 The applicant shall make available to the public for  
17 inspection all documents submitted by the applicant to the  
18 Agency in furtherance of an application, with the exception of  
19 trade secrets, at the office of the county board or governing  
20 body of the municipality. Such documents may be copied upon  
21 payment of the actual cost of reproduction during regular  
22 business hours of the local office. The Agency shall issue a  
23 written statement concurrent with its grant or denial of the  
24 permit explaining the basis for its decision.

25 (f) In making any determination pursuant to Section 9.1 of  
26 this Act:

1           (1) The Agency shall have authority to make the  
2           determination of any question required to be determined by  
3           the Clean Air Act, as now or hereafter amended, this Act,  
4           or the regulations of the Board, including the  
5           determination of the Lowest Achievable Emission Rate,  
6           Maximum Achievable Control Technology, or Best Available  
7           Control Technology, consistent with the Board's  
8           regulations, if any.

9           (2) The Agency shall adopt requirements as necessary  
10          to implement public participation procedures, including,  
11          but not limited to, public notice, comment, and an  
12          opportunity for hearing, which must accompany the  
13          processing of applications for PSD permits. The Agency  
14          shall briefly describe and respond to all significant  
15          comments on the draft permit raised during the public  
16          comment period or during any hearing. The Agency may group  
17          related comments together and provide one unified response  
18          for each issue raised.

19          (3) Any complete permit application submitted to the  
20          Agency under this subsection for a PSD permit shall be  
21          granted or denied by the Agency not later than one year  
22          after the filing of such completed application.

23          (4) The Agency shall, after conferring with the  
24          applicant, give written notice to the applicant of its  
25          proposed decision on the application, including the terms  
26          and conditions of the permit to be issued and the facts,



1           conduct, or other basis upon which the Agency will rely to  
2           support its proposed action.

3           (g) The Agency shall include as conditions upon all  
4           permits issued for hazardous waste disposal sites such  
5           restrictions upon the future use of such sites as are  
6           reasonably necessary to protect public health and the  
7           environment, including permanent prohibition of the use of  
8           such sites for purposes which may create an unreasonable risk  
9           of injury to human health or to the environment. After  
10          administrative and judicial challenges to such restrictions  
11          have been exhausted, the Agency shall file such restrictions  
12          of record in the Office of the Recorder of the county in which  
13          the hazardous waste disposal site is located.

14          (h) A hazardous waste stream may not be deposited in a  
15          permitted hazardous waste site unless specific authorization  
16          is obtained from the Agency by the generator and disposal site  
17          owner and operator for the deposit of that specific hazardous  
18          waste stream. The Agency may grant specific authorization for  
19          disposal of hazardous waste streams only after the generator  
20          has reasonably demonstrated that, considering technological  
21          feasibility and economic reasonableness, the hazardous waste  
22          cannot be reasonably recycled for reuse, nor incinerated or  
23          chemically, physically, or biologically treated so as to  
24          neutralize the hazardous waste and render it nonhazardous. In  
25          granting authorization under this Section, the Agency may  
26          impose such conditions as may be necessary to accomplish the

1 purposes of the Act and are consistent with this Act and  
2 regulations promulgated by the Board hereunder. If the Agency  
3 refuses to grant authorization under this Section, the  
4 applicant may appeal as if the Agency refused to grant a  
5 permit, pursuant to the provisions of subsection (a) of  
6 Section 40 of this Act. For purposes of this subsection (h),  
7 the term "generator" has the meaning given in Section 3.205 of  
8 this Act, unless: (1) the hazardous waste is treated,  
9 incinerated, or partially recycled for reuse prior to  
10 disposal, in which case the last person who treats,  
11 incinerates, or partially recycles the hazardous waste prior  
12 to disposal is the generator; or (2) the hazardous waste is  
13 from a response action, in which case the person performing  
14 the response action is the generator. This subsection (h) does  
15 not apply to any hazardous waste that is restricted from land  
16 disposal under 35 Ill. Adm. Code 728.

17 (i) Before issuing any RCRA permit, any permit for a waste  
18 storage site, sanitary landfill, waste disposal site, waste  
19 transfer station, waste treatment facility, waste incinerator,  
20 or any waste-transportation operation, any permit or interim  
21 authorization for a clean construction or demolition debris  
22 fill operation, or any permit required under subsection (d-5)  
23 of Section 55, the Agency shall conduct an evaluation of the  
24 prospective owner's or operator's prior experience in waste  
25 management operations, clean construction or demolition debris  
26 fill operations, and tire storage site management. The Agency

1 may deny such a permit, or deny or revoke interim  
2 authorization, if the prospective owner or operator or any  
3 employee or officer of the prospective owner or operator has a  
4 history of:

5 (1) repeated violations of federal, State, or local  
6 laws, regulations, standards, or ordinances in the  
7 operation of waste management facilities or sites, clean  
8 construction or demolition debris fill operation  
9 facilities or sites, or tire storagesites; or

10 (2) conviction in this or another State of any crime  
11 which is a felony under the laws of this State, or  
12 conviction of a felony in a federal court; or conviction  
13 in this or another state or federal court of any of the  
14 following crimes: forgery, official misconduct, bribery,  
15 perjury, or knowingly submitting false information under  
16 any environmental law, regulation, or permit term or  
17 condition; or

18 (3) proof of gross carelessness or incompetence in  
19 handling, storing, processing, transporting, or disposing  
20 of waste, clean construction or demolition debris, or used  
21 or waste tires, or proof of gross carelessness or  
22 incompetence in using clean construction or demolition  
23 debris as fill.

24 (i-5) Before issuing any permit or approving any interim  
25 authorization for a clean construction or demolition debris  
26 fill operation in which any ownership interest is transferred

1 between January 1, 2005, and the effective date of the  
2 prohibition set forth in Section 22.52 of this Act, the Agency  
3 shall conduct an evaluation of the operation if any previous  
4 activities at the site or facility may have caused or allowed  
5 contamination of the site. It shall be the responsibility of  
6 the owner or operator seeking the permit or interim  
7 authorization to provide to the Agency all of the information  
8 necessary for the Agency to conduct its evaluation. The Agency  
9 may deny a permit or interim authorization if previous  
10 activities at the site may have caused or allowed  
11 contamination at the site, unless such contamination is  
12 authorized under any permit issued by the Agency.

13 (j) The issuance under this Act of a permit to engage in  
14 the surface mining of any resources other than fossil fuels  
15 shall not relieve the permittee from its duty to comply with  
16 any applicable local law regulating the commencement,  
17 location, or operation of surface mining facilities.

18 (k) A development permit issued under subsection (a) of  
19 Section 39 for any facility or site which is required to have a  
20 permit under subsection (d) of Section 21 shall expire at the  
21 end of 2 calendar years from the date upon which it was issued,  
22 unless within that period the applicant has taken action to  
23 develop the facility or the site. In the event that review of  
24 the conditions of the development permit is sought pursuant to  
25 Section 40 or 41, or permittee is prevented from commencing  
26 development of the facility or site by any other litigation

1 beyond the permittee's control, such two-year period shall be  
2 deemed to begin on the date upon which such review process or  
3 litigation is concluded.

4 (l) No permit shall be issued by the Agency under this Act  
5 for construction or operation of any facility or site located  
6 within the boundaries of any setback zone established pursuant  
7 to this Act, where such construction or operation is  
8 prohibited.

9 (m) The Agency may issue permits to persons owning or  
10 operating a facility for composting landscape waste. In  
11 granting such permits, the Agency may impose such conditions  
12 as may be necessary to accomplish the purposes of this Act, and  
13 as are not inconsistent with applicable regulations  
14 promulgated by the Board. Except as otherwise provided in this  
15 Act, a bond or other security shall not be required as a  
16 condition for the issuance of a permit. If the Agency denies  
17 any permit pursuant to this subsection, the Agency shall  
18 transmit to the applicant within the time limitations of this  
19 subsection specific, detailed statements as to the reasons the  
20 permit application was denied. Such statements shall include  
21 but not be limited to the following:

22 (1) the Sections of this Act that may be violated if  
23 the permit were granted;

24 (2) the specific regulations promulgated pursuant to  
25 this Act that may be violated if the permit were granted;

26 (3) the specific information, if any, the Agency deems

1 the applicant did not provide in its application to the  
2 Agency; and

3 (4) a statement of specific reasons why the Act and  
4 the regulations might be violated if the permit were  
5 granted.

6 If no final action is taken by the Agency within 90 days  
7 after the filing of the application for permit, the applicant  
8 may deem the permit issued. Any applicant for a permit may  
9 waive the 90-day limitation by filing a written statement with  
10 the Agency.

11 The Agency shall issue permits for such facilities upon  
12 receipt of an application that includes a legal description of  
13 the site, a topographic map of the site drawn to the scale of  
14 200 feet to the inch or larger, a description of the operation,  
15 including the area served, an estimate of the volume of  
16 materials to be processed, and documentation that:

17 (1) the facility includes a setback of at least 200  
18 feet from the nearest potable water supply well;

19 (2) the facility is located outside the boundary of  
20 the 10-year floodplain or the site will be floodproofed;

21 (3) the facility is located so as to minimize  
22 incompatibility with the character of the surrounding  
23 area, including at least a 200 foot setback from any  
24 residence, and in the case of a facility that is developed  
25 or the permitted composting area of which is expanded  
26 after November 17, 1991, the composting area is located at

1 least 1/8 mile from the nearest residence (other than a  
2 residence located on the same property as the facility);

3 (4) the design of the facility will prevent any  
4 compost material from being placed within 5 feet of the  
5 water table, will adequately control runoff from the site,  
6 and will collect and manage any leachate that is generated  
7 on the site;

8 (5) the operation of the facility will include  
9 appropriate dust and odor control measures, limitations on  
10 operating hours, appropriate noise control measures for  
11 shredding, chipping and similar equipment, management  
12 procedures for composting, containment and disposal of  
13 non-compostable wastes, procedures to be used for  
14 terminating operations at the site, and recordkeeping  
15 sufficient to document the amount of materials received,  
16 composted, and otherwise disposed of; and

17 (6) the operation will be conducted in accordance with  
18 any applicable rules adopted by the Board.

19 The Agency shall issue renewable permits of not longer  
20 than 10 years in duration for the composting of landscape  
21 wastes, as defined in Section 3.155 of this Act, based on the  
22 above requirements.

23 The operator of any facility permitted under this  
24 subsection (m) must submit a written annual statement to the  
25 Agency on or before April 1 of each year that includes an  
26 estimate of the amount of material, in tons, received for

1 composting.

2 (n) The Agency shall issue permits jointly with the  
3 Department of Transportation for the dredging or deposit of  
4 material in Lake Michigan in accordance with Section 18 of the  
5 Rivers, Lakes, and Streams Act.

6 (o) (Blank).

7 (p) (1) Any person submitting an application for a permit  
8 for a new MSWLF unit or for a lateral expansion under  
9 subsection (t) of Section 21 of this Act for an existing MSWLF  
10 unit that has not received and is not subject to local siting  
11 approval under Section 39.2 of this Act shall publish notice  
12 of the application in a newspaper of general circulation in  
13 the county in which the MSWLF unit is or is proposed to be  
14 located. The notice must be published at least 15 days before  
15 submission of the permit application to the Agency. The notice  
16 shall state the name and address of the applicant, the  
17 location of the MSWLF unit or proposed MSWLF unit, the nature  
18 and size of the MSWLF unit or proposed MSWLF unit, the nature  
19 of the activity proposed, the probable life of the proposed  
20 activity, the date the permit application will be submitted,  
21 and a statement that persons may file written comments with  
22 the Agency concerning the permit application within 30 days  
23 after the filing of the permit application unless the time  
24 period to submit comments is extended by the Agency.

25 When a permit applicant submits information to the Agency  
26 to supplement a permit application being reviewed by the



1 Agency, the applicant shall not be required to reissue the  
2 notice under this subsection.

3 (2) The Agency shall accept written comments concerning  
4 the permit application that are postmarked no later than 30  
5 days after the filing of the permit application, unless the  
6 time period to accept comments is extended by the Agency.

7 (3) Each applicant for a permit described in part (1) of  
8 this subsection shall file a copy of the permit application  
9 with the county board or governing body of the municipality in  
10 which the MSWLF unit is or is proposed to be located at the  
11 same time the application is submitted to the Agency. The  
12 permit application filed with the county board or governing  
13 body of the municipality shall include all documents submitted  
14 to or to be submitted to the Agency, except trade secrets as  
15 determined under Section 7.1 of this Act. The permit  
16 application and other documents on file with the county board  
17 or governing body of the municipality shall be made available  
18 for public inspection during regular business hours at the  
19 office of the county board or the governing body of the  
20 municipality and may be copied upon payment of the actual cost  
21 of reproduction.

22 (q) Within 6 months after July 12, 2011 (the effective  
23 date of Public Act 97-95), the Agency, in consultation with  
24 the regulated community, shall develop a web portal to be  
25 posted on its website for the purpose of enhancing review and  
26 promoting timely issuance of permits required by this Act. At

1 a minimum, the Agency shall make the following information  
2 available on the web portal:

3 (1) Checklists and guidance relating to the completion  
4 of permit applications, developed pursuant to subsection  
5 (s) of this Section, which may include, but are not  
6 limited to, existing instructions for completing the  
7 applications and examples of complete applications. As the  
8 Agency develops new checklists and develops guidance, it  
9 shall supplement the web portal with those materials.

10 (2) Within 2 years after July 12, 2011 (the effective  
11 date of Public Act 97-95), permit application forms or  
12 portions of permit applications that can be completed and  
13 saved electronically, and submitted to the Agency  
14 electronically with digital signatures.

15 (3) Within 2 years after July 12, 2011 (the effective  
16 date of Public Act 97-95), an online tracking system where  
17 an applicant may review the status of its pending  
18 application, including the name and contact information of  
19 the permit analyst assigned to the application. Until the  
20 online tracking system has been developed, the Agency  
21 shall post on its website semi-annual permitting  
22 efficiency tracking reports that include statistics on the  
23 timeframes for Agency action on the following types of  
24 permits received after July 12, 2011 (the effective date  
25 of Public Act 97-95): air construction permits, new NPDES  
26 permits and associated water construction permits, and

1 modifications of major NPDES permits and associated water  
2 construction permits. The reports must be posted by  
3 February 1 and August 1 each year and shall include:

4 (A) the number of applications received for each  
5 type of permit, the number of applications on which  
6 the Agency has taken action, and the number of  
7 applications still pending; and

8 (B) for those applications where the Agency has  
9 not taken action in accordance with the timeframes set  
10 forth in this Act, the date the application was  
11 received and the reasons for any delays, which may  
12 include, but shall not be limited to, (i) the  
13 application being inadequate or incomplete, (ii)  
14 scientific or technical disagreements with the  
15 applicant, USEPA, or other local, state, or federal  
16 agencies involved in the permitting approval process,  
17 (iii) public opposition to the permit, or (iv) Agency  
18 staffing shortages. To the extent practicable, the  
19 tracking report shall provide approximate dates when  
20 cause for delay was identified by the Agency, when the  
21 Agency informed the applicant of the problem leading  
22 to the delay, and when the applicant remedied the  
23 reason for the delay.

24 (r) Upon the request of the applicant, the Agency shall  
25 notify the applicant of the permit analyst assigned to the  
26 application upon its receipt.

1           (s) The Agency is authorized to prepare and distribute  
2 guidance documents relating to its administration of this  
3 Section and procedural rules implementing this Section.  
4 Guidance documents prepared under this subsection shall not be  
5 considered rules and shall not be subject to the Illinois  
6 Administrative Procedure Act. Such guidance shall not be  
7 binding on any party.

8           (t) Except as otherwise prohibited by federal law or  
9 regulation, any person submitting an application for a permit  
10 may include with the application suggested permit language for  
11 Agency consideration. The Agency is not obligated to use the  
12 suggested language or any portion thereof in its permitting  
13 decision. If requested by the permit applicant, the Agency  
14 shall meet with the applicant to discuss the suggested  
15 language.

16           (u) If requested by the permit applicant, the Agency shall  
17 provide the permit applicant with a copy of the draft permit  
18 prior to any public review period.

19           (v) If requested by the permit applicant, the Agency shall  
20 provide the permit applicant with a copy of the final permit  
21 prior to its issuance.

22           (w) An air pollution permit shall not be required due to  
23 emissions of greenhouse gases, as specified by Section 9.15 of  
24 this Act.

25           (x) If, before the expiration of a State operating permit  
26 that is issued pursuant to subsection (a) of this Section and

1 contains federally enforceable conditions limiting the  
2 potential to emit of the source to a level below the major  
3 source threshold for that source so as to exclude the source  
4 from the Clean Air Act Permit Program, the Agency receives a  
5 complete application for the renewal of that permit, then all  
6 of the terms and conditions of the permit shall remain in  
7 effect until final administrative action has been taken on the  
8 application for the renewal of the permit.

9 (y) The Agency may issue permits exclusively under this  
10 subsection to persons owning or operating a CCR surface  
11 impoundment subject to Section 22.59.

12 (z) If a mass animal mortality event is declared by the  
13 Department of Agriculture in accordance with the Animal  
14 Mortality Act:

15 (1) the owner or operator responsible for the disposal  
16 of dead animals is exempted from the following:

17 (i) obtaining a permit for the construction,  
18 installation, or operation of any type of facility or  
19 equipment issued in accordance with subsection (a) of  
20 this Section;

21 (ii) obtaining a permit for open burning in  
22 accordance with the rules adopted by the Board; and

23 (iii) registering the disposal of dead animals as  
24 an eligible small source with the Agency in accordance  
25 with Section 9.14 of this Act;

26 (2) as applicable, the owner or operator responsible

1 for the disposal of dead animals is required to obtain the  
2 following permits:

3 (i) an NPDES permit in accordance with subsection  
4 (b) of this Section;

5 (ii) a PSD permit or an NA NSR permit in accordance  
6 with Section 9.1 of this Act;

7 (iii) a lifetime State operating permit or a  
8 federally enforceable State operating permit, in  
9 accordance with subsection (a) of this Section; or

10 (iv) a CAAPP permit, in accordance with Section  
11 39.5 of this Act.

12 All CCR surface impoundment permits shall contain those  
13 terms and conditions, including, but not limited to, schedules  
14 of compliance, which may be required to accomplish the  
15 purposes and provisions of this Act, Board regulations, the  
16 Illinois Groundwater Protection Act and regulations pursuant  
17 thereto, and the Resource Conservation and Recovery Act and  
18 regulations pursuant thereto, and may include schedules for  
19 achieving compliance therewith as soon as possible.

20 The Board shall adopt filing requirements and procedures  
21 that are necessary and appropriate for the issuance of CCR  
22 surface impoundment permits and that are consistent with this  
23 Act or regulations adopted by the Board, and with the RCRA, as  
24 amended, and regulations pursuant thereto.

25 The applicant shall make available to the public for  
26 inspection all documents submitted by the applicant to the

1 Agency in furtherance of an application, with the exception of  
2 trade secrets, on its public internet website as well as at the  
3 office of the county board or governing body of the  
4 municipality where CCR from the CCR surface impoundment will  
5 be permanently disposed. Such documents may be copied upon  
6 payment of the actual cost of reproduction during regular  
7 business hours of the local office.

8 The Agency shall issue a written statement concurrent with  
9 its grant or denial of the permit explaining the basis for its  
10 decision.

11 (Source: P.A. 101-171, eff. 7-30-19; 102-216, eff. 1-1-22;  
12 102-558, eff. 8-20-21; 102-813, eff. 5-13-22.)

13 Section 90-50. The Electric Vehicle Rebate Act is amended  
14 by changing Sections 35, 40, and 45 as follows:

15 (415 ILCS 120/35)

16 Sec. 35. User fees.

17 (a) The Office of the Secretary of State shall collect  
18 annual user fees from any individual, partnership,  
19 association, corporation, or agency of the United States  
20 government that registers any combination of 10 or more of the  
21 following types of motor vehicles in the Covered Area: (1)  
22 vehicles of the First Division, as defined in the Illinois  
23 Vehicle Code; (2) vehicles of the Second Division registered  
24 under the B, C, D, F, H, MD, MF, MG, MH and MJ plate

1 categories, as defined in the Illinois Vehicle Code; and (3)  
2 commuter vans and livery vehicles as defined in the Illinois  
3 Vehicle Code. This Section does not apply to vehicles  
4 registered under the International Registration Plan under  
5 Section 3-402.1 of the Illinois Vehicle Code. The user fee  
6 shall be \$20 for each vehicle registered in the Covered Area  
7 for each fiscal year. The Office of the Secretary of State  
8 shall collect the \$20 when a vehicle's registration fee is  
9 paid.

10 (b) Owners of State, county, and local government  
11 vehicles, rental vehicles, antique vehicles, expanded-use  
12 antique vehicles, electric vehicles, and motorcycles are  
13 exempt from paying the user fees on such vehicles.

14 (c) The Office of the Secretary of State shall deposit the  
15 user fees collected into the Electric Vehicle and Charging  
16 ~~Rebate~~ Fund.

17 (Source: P.A. 101-505, eff. 1-1-20; 102-662, eff. 9-15-21.)

18 (415 ILCS 120/40)

19 Sec. 40. Appropriations from the Electric Vehicle and  
20 Charging ~~Rebate~~ Fund.

21 (a) The Agency shall estimate the amount of user fees  
22 expected to be collected under Section 35 of this Act for each  
23 fiscal year. User fee funds shall be deposited into and  
24 distributed from the Electric Vehicle and Charging ~~Rebate~~ Fund  
25 in the following manner:



1           (1) Through fiscal year 2023, an annual amount not to  
2 exceed \$225,000 may be appropriated to the Agency from the  
3 Electric Vehicle and Charging ~~Rebate~~ Fund to pay its costs  
4 of administering the programs authorized by Section 27 of  
5 this Act. Beginning in fiscal year 2024 and in each fiscal  
6 year thereafter, an annual amount not to exceed \$600,000  
7 may be appropriated to the Agency from the Electric  
8 Vehicle and Charging ~~Rebate~~ Fund to pay its costs of  
9 administering the programs authorized by Section 27 of  
10 this Act. An amount not to exceed \$225,000 may be  
11 appropriated to the Secretary of State from the Electric  
12 Vehicle and Charging ~~Rebate~~ Fund to pay the Secretary of  
13 State's costs of administering the programs authorized  
14 under this Act.

15           (2) In fiscal year 2022 and each fiscal year  
16 thereafter, after appropriation of the amounts authorized  
17 by item (1) of subsection (a) of this Section, the  
18 remaining moneys estimated to be collected during each  
19 fiscal year shall be appropriated.

20           (3) (Blank).

21           (4) Moneys appropriated to fund the programs  
22 authorized in Sections 25 and 30 shall be expended only  
23 after they have been collected and deposited into the  
24 Electric Vehicle and Charging ~~Rebate~~ Fund.

25           (b) Amounts appropriated to and deposited into the  
26 Electric Vehicle and Charging ~~Rebate~~ Fund from the General

1 Revenue Fund, or any other fund, shall be distributed from the  
2 Electric Vehicle and Charging ~~Rebate~~ Fund to fund the program  
3 authorized in Section 27.

4 (Source: P.A. 103-8, eff. 6-7-23; 103-363, eff. 7-28-23;  
5 103-605, eff. 7-1-24; 104-6, eff. 7-1-25.)

6 (415 ILCS 120/45)

7 Sec. 45. Electric Vehicle and Charging ~~Rebate~~ Fund;  
8 creation; deposit of user fees. A separate fund in the State  
9 treasury ~~Treasury~~ called the Electric Vehicle and Charging  
10 ~~Rebate~~ Fund is created, into which shall be transferred the  
11 user fees as provided in Section 35, funds as provided in  
12 Section 605-1075 of the Department of Commerce and Economic  
13 Opportunity Law of the Civil Administrative Code of Illinois,  
14 and any other revenues, deposits, State appropriations,  
15 contributions, grants, gifts, bequests, legacies of money and  
16 securities, or transfers as provided by law from, without  
17 limitation, governmental entities, private sources,  
18 foundations, trade associations, industry organizations, and  
19 not-for-profit organizations.

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

21 ARTICLE 99.

22 Section 99-97. Severability. The provisions of this Act  
23 are severable under Section 1.31 of the Statute on Statutes."