



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

SB2289

Introduced 2/7/2025, by Sen. Steve Stadelman

#### SYNOPSIS AS INTRODUCED:

20 ILCS 3855/1-75  
220 ILCS 5/16-115D

Amends the Illinois Power Agency Act. Removes the requirement for the Illinois Power Agency to annually determine the amount of utility-scale renewable energy credits it will include each year from the self-direct renewable portfolio standard compliance program. Provides that the self-direct credit amount for each renewable energy credit supplied shall be determined annually and is equal to the volumetric charge collected under a provision in the Public Utilities Act. Provides that the approved self-direct credit amount shall be multiplied by each renewable energy credit procured by participating self-direct customers for up to 100% of the self-direct customer's annual consumption. Provides that the self-direct customer's utility bill credit amount shall consist of a credit towards the utility-scale renewable energy portion of the volumetric charge and shall not include a credit toward the portion of the volumetric charge associated with procuring renewable energy credits through existing and future contracts under the Adjustable Block Program, the Solar for All Program, and a specified provision of the Act. Amends the Public Utilities Act. Provides that the provisions of the Illinois Power Agency Act relating to the payments by retail customers of a utility for the purpose of recovering the utility's costs for procuring renewable energy credits shall not apply to an alternative retail electric supplier, or its customers, that operates a combined heat and power system in this State, or that has a corporate affiliate that operates a combined heat and power system in this State, and supplies electricity primarily to or for the benefit of certain specified facilities. Effective immediately.

LRB104 06374 AAS 16410 b

1 AN ACT concerning regulation.

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

4 Section 5. The Illinois Power Agency Act is amended by  
5 changing Section 1-75 as follows:

6 (20 ILCS 3855/1-75)

7 Sec. 1-75. Planning and Procurement Bureau. The Planning  
8 and Procurement Bureau has the following duties and  
9 responsibilities:

10 (a) The Planning and Procurement Bureau shall each year,  
11 beginning in 2008, develop procurement plans and conduct  
12 competitive procurement processes in accordance with the  
13 requirements of Section 16-111.5 of the Public Utilities Act  
14 for the eligible retail customers of electric utilities that  
15 on December 31, 2005 provided electric service to at least  
16 100,000 customers in Illinois. Beginning with the delivery  
17 year commencing on June 1, 2017, the Planning and Procurement  
18 Bureau shall develop plans and processes for the procurement  
19 of zero emission credits from zero emission facilities in  
20 accordance with the requirements of subsection (d-5) of this  
21 Section. Beginning on the effective date of this amendatory  
22 Act of the 102nd General Assembly, the Planning and  
23 Procurement Bureau shall develop plans and processes for the

1 procurement of carbon mitigation credits from carbon-free  
2 energy resources in accordance with the requirements of  
3 subsection (d-10) of this Section. The Planning and  
4 Procurement Bureau shall also develop procurement plans and  
5 conduct competitive procurement processes in accordance with  
6 the requirements of Section 16-111.5 of the Public Utilities  
7 Act for the eligible retail customers of small  
8 multi-jurisdictional electric utilities that (i) on December  
9 31, 2005 served less than 100,000 customers in Illinois and  
10 (ii) request a procurement plan for their Illinois  
11 jurisdictional load. This Section shall not apply to a small  
12 multi-jurisdictional utility until such time as a small  
13 multi-jurisdictional utility requests the Agency to prepare a  
14 procurement plan for their Illinois jurisdictional load. For  
15 the purposes of this Section, the term "eligible retail  
16 customers" has the same definition as found in Section  
17 16-111.5(a) of the Public Utilities Act.

18 Beginning with the plan or plans to be implemented in the  
19 2017 delivery year, the Agency shall no longer include the  
20 procurement of renewable energy resources in the annual  
21 procurement plans required by this subsection (a), except as  
22 provided in subsection (q) of Section 16-111.5 of the Public  
23 Utilities Act, and shall instead develop a long-term renewable  
24 resources procurement plan in accordance with subsection (c)  
25 of this Section and Section 16-111.5 of the Public Utilities  
26 Act.

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

10           (1) The Agency shall each year, beginning in 2008, as  
11 needed, issue a request for qualifications for experts or  
12 expert consulting firms to develop the procurement plans  
13 in accordance with Section 16-111.5 of the Public  
14 Utilities Act. In order to qualify an expert or expert  
15 consulting firm must have:

16           (A) direct previous experience assembling  
17 large-scale power supply plans or portfolios for  
18 end-use customers;

19           (B) an advanced degree in economics, mathematics,  
20 engineering, risk management, or a related area of  
21 study;

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

24           (D) expertise in wholesale electricity market  
25 rules, including those established by the Federal  
26 Energy Regulatory Commission and regional transmission

1 organizations;

2 (E) expertise in credit protocols and familiarity  
3 with contract protocols;

4 (F) adequate resources to perform and fulfill the  
5 required functions and responsibilities; and

6 (G) the absence of a conflict of interest and  
7 inappropriate bias for or against potential bidders or  
8 the affected electric utilities.

9 (2) The Agency shall each year, as needed, issue a  
10 request for qualifications for a procurement administrator  
11 to conduct the competitive procurement processes in  
12 accordance with Section 16-111.5 of the Public Utilities  
13 Act. In order to qualify an expert or expert consulting  
14 firm must have:

15 (A) direct previous experience administering a  
16 large-scale competitive procurement process;

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

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

21 (D) expertise in wholesale electricity market  
22 rules, including those established by the Federal  
23 Energy Regulatory Commission and regional transmission  
24 organizations;

25 (E) expertise in credit and contract protocols;

26 (F) adequate resources to perform and fulfill the

1 required functions and responsibilities; and

2 (G) the absence of a conflict of interest and  
3 inappropriate bias for or against potential bidders or  
4 the affected electric utilities.

5 (3) The Agency shall provide affected utilities and  
6 other interested parties with the lists of qualified  
7 experts or expert consulting firms identified through the  
8 request for qualifications processes that are under  
9 consideration to develop the procurement plans and to  
10 serve as the procurement administrator. The Agency shall  
11 also provide each qualified expert's or expert consulting  
12 firm's response to the request for qualifications. All  
13 information provided under this subparagraph shall also be  
14 provided to the Commission. The Agency may provide by rule  
15 for fees associated with supplying the information to  
16 utilities and other interested parties. These parties  
17 shall, within 5 business days, notify the Agency in  
18 writing if they object to any experts or expert consulting  
19 firms on the lists. Objections shall be based on:

20 (A) failure to satisfy qualification criteria;

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

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

24 The Agency shall remove experts or expert consulting  
25 firms from the lists within 10 days if there is a  
26 reasonable basis for an objection and provide the updated

1 lists to the affected utilities and other interested  
2 parties. If the Agency fails to remove an expert or expert  
3 consulting firm from a list, an objecting party may seek  
4 review by the Commission within 5 days thereafter by  
5 filing a petition, and the Commission shall render a  
6 ruling on the petition within 10 days. There is no right of  
7 appeal of the Commission's ruling.

8 (4) The Agency shall issue requests for proposals to  
9 the qualified experts or expert consulting firms to  
10 develop a procurement plan for the affected utilities and  
11 to serve as procurement administrator.

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

16 (6) The Agency shall select an expert or expert  
17 consulting firm, with approval of the Commission, to serve  
18 as procurement administrator based on the proposals  
19 submitted. If the Commission rejects, within 5 days, the  
20 Agency's selection, the Agency shall submit another  
21 recommendation within 3 days based on the proposals  
22 submitted. The Agency shall award a 5-year contract to the  
23 expert or expert consulting firm so selected with  
24 Commission approval.

25 (b) The experts or expert consulting firms retained by the  
26 Agency shall, as appropriate, prepare procurement plans, and

1 conduct a competitive procurement process as prescribed in  
2 Section 16-111.5 of the Public Utilities Act, to ensure  
3 adequate, reliable, affordable, efficient, and environmentally  
4 sustainable electric service at the lowest total cost over  
5 time, taking into account any benefits of price stability, for  
6 eligible retail customers of electric utilities that on  
7 December 31, 2005 provided electric service to at least  
8 100,000 customers in the State of Illinois, and for eligible  
9 Illinois retail customers of small multi-jurisdictional  
10 electric utilities that (i) on December 31, 2005 served less  
11 than 100,000 customers in Illinois and (ii) request a  
12 procurement plan for their Illinois jurisdictional load.

13 (c) Renewable portfolio standard.

14 (1) (A) The Agency shall develop a long-term renewable  
15 resources procurement plan that shall include procurement  
16 programs and competitive procurement events necessary to  
17 meet the goals set forth in this subsection (c). The  
18 initial long-term renewable resources procurement plan  
19 shall be released for comment no later than 160 days after  
20 June 1, 2017 (the effective date of Public Act 99-906).  
21 The Agency shall review, and may revise on an expedited  
22 basis, the long-term renewable resources procurement plan  
23 at least every 2 years, which shall be conducted in  
24 conjunction with the procurement plan under Section  
25 16-111.5 of the Public Utilities Act to the extent  
26 practicable to minimize administrative expense. No later

1 than 120 days after the effective date of this amendatory  
2 Act of the 103rd General Assembly, the Agency shall  
3 release for comment a revision to the long-term renewable  
4 resources procurement plan, updating elements of the most  
5 recently approved plan as needed to comply with this  
6 amendatory Act of the 103rd General Assembly, and any  
7 long-term renewable resources procurement plan update  
8 published by the Agency but not yet approved by the  
9 Illinois Commerce Commission shall be withdrawn. The  
10 long-term renewable resources procurement plans shall be  
11 subject to review and approval by the Commission under  
12 Section 16-111.5 of the Public Utilities Act.

13 (B) Subject to subparagraph (F) of this paragraph (1),  
14 the long-term renewable resources procurement plan shall  
15 attempt to meet the goals for procurement of renewable  
16 energy credits at levels of at least the following overall  
17 percentages: 13% by the 2017 delivery year; increasing by  
18 at least 1.5% each delivery year thereafter to at least  
19 25% by the 2025 delivery year; increasing by at least 3%  
20 each delivery year thereafter to at least 40% by the 2030  
21 delivery year, and continuing at no less than 40% for each  
22 delivery year thereafter. The Agency shall attempt to  
23 procure 50% by delivery year 2040. The Agency shall  
24 determine the annual increase between delivery year 2030  
25 and delivery year 2040, if any, taking into account energy  
26 demand, other energy resources, and other public policy

1 goals. In the event of a conflict between these goals and  
2 the new wind, new photovoltaic, and hydropower procurement  
3 requirements described in items (i) through (iii) of  
4 subparagraph (C) of this paragraph (1), the long-term plan  
5 shall prioritize compliance with the new wind, new  
6 photovoltaic, and hydropower procurement requirements  
7 described in items (i) through (iii) of subparagraph (C)  
8 of this paragraph (1) over the annual percentage targets  
9 described in this subparagraph (B). The Agency shall not  
10 comply with the annual percentage targets described in  
11 this subparagraph (B) by procuring renewable energy  
12 credits that are unlikely to lead to the development of  
13 new renewable resources or new, modernized, or retooled  
14 hydropower facilities.

15 For the delivery year beginning June 1, 2017, 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 13% of each utility's load for eligible retail  
20 customers and 13% 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 50%  
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, 2018, the  
26 procurement plan shall attempt to include, subject to the

1 prioritization outlined in this subparagraph (B),  
2 cost-effective renewable energy resources equal to at  
3 least 14.5% of each utility's load for eligible retail  
4 customers and 14.5% of the applicable portion of each  
5 utility's load for retail customers who are not eligible  
6 retail customers, which applicable portion shall equal 75%  
7 of the utility's load for retail customers who are not  
8 eligible retail customers on February 28, 2017.

9 For the delivery year beginning June 1, 2019, and for  
10 each year thereafter, the procurement plans shall attempt  
11 to include, subject to the prioritization outlined in this  
12 subparagraph (B), cost-effective renewable energy  
13 resources equal to a minimum percentage of each utility's  
14 load for all retail customers as follows: 16% by June 1,  
15 2019; increasing by 1.5% each year thereafter to 25% by  
16 June 1, 2025; and 25% by June 1, 2026; increasing by at  
17 least 3% each delivery year thereafter to at least 40% by  
18 the 2030 delivery year, and continuing at no less than 40%  
19 for each delivery year thereafter. The Agency shall  
20 attempt to procure 50% by delivery year 2040. The Agency  
21 shall determine the annual increase between delivery year  
22 2030 and delivery year 2040, if any, taking into account  
23 energy demand, other energy resources, and other public  
24 policy goals.

25 For each delivery year, the Agency shall first  
26 recognize each utility's obligations for that delivery

1 year under existing contracts. Any renewable energy  
2 credits under existing contracts, including renewable  
3 energy credits as part of renewable energy resources,  
4 shall be used to meet the goals set forth in this  
5 subsection (c) for the delivery year.

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

10 (i) At least 10,000,000 renewable energy credits  
11 delivered annually by the end of the 2021 delivery  
12 year, and increasing ratably to reach 45,000,000  
13 renewable energy credits delivered annually from new  
14 wind and solar projects by the end of delivery year  
15 2030 such that the goals in subparagraph (B) of this  
16 paragraph (1) are met entirely by procurements of  
17 renewable energy credits from new wind and  
18 photovoltaic projects. Of that amount, to the extent  
19 possible, the Agency shall procure 45% from wind and  
20 hydropower projects and 55% from photovoltaic  
21 projects. Of the amount to be procured from  
22 photovoltaic projects, the Agency shall procure: at  
23 least 50% from solar photovoltaic projects using the  
24 program outlined in subparagraph (K) of this paragraph  
25 (1) from distributed renewable energy generation  
26 devices or community renewable generation projects; at

1 least 47% from utility-scale solar projects; at least  
2 3% from brownfield site photovoltaic projects that are  
3 not community renewable generation projects.

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

23 (ii) In any given delivery year, if forecasted  
24 expenses are less than the maximum budget available  
25 under subparagraph (E) of this paragraph (1), the  
26 Agency shall continue to procure new renewable energy

1 credits until that budget is exhausted in the manner  
2 outlined in item (i) of this subparagraph (C).

3 (iii) For purposes of this Section:

4 "New wind projects" means wind renewable energy  
5 facilities that are energized after June 1, 2017 for  
6 the delivery year commencing June 1, 2017.

7 "New photovoltaic projects" means photovoltaic  
8 renewable energy facilities that are energized after  
9 June 1, 2017. Photovoltaic projects developed under  
10 Section 1-56 of this Act shall not apply towards the  
11 new photovoltaic project requirements in this  
12 subparagraph (C).

13 For purposes of calculating whether the Agency has  
14 procured enough new wind and solar renewable energy  
15 credits required by this subparagraph (C), renewable  
16 energy facilities that have a multi-year renewable  
17 energy credit delivery contract with the utility  
18 through at least delivery year 2030 shall be  
19 considered new, however no renewable energy credits  
20 from contracts entered into before June 1, 2021 shall  
21 be used to calculate whether the Agency has procured  
22 the correct proportion of new wind and new solar  
23 contracts described in this subparagraph (C) for  
24 delivery year 2021 and thereafter.

25 (D) Renewable energy credits shall be cost effective.

26 For purposes of this subsection (c), "cost effective"

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

1 regional energy prices. The benchmarks in this Section  
2 shall not be used to curtail or otherwise reduce  
3 contractual obligations entered into by or through the  
4 Agency prior to June 1, 2017 (the effective date of Public  
5 Act 99-906).

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

1           Notwithstanding the requirements of this subsection  
2           (c), the total of renewable energy resources procured  
3           under the procurement plan for any single year shall be  
4           subject to the limitations of this subparagraph (E). Such  
5           procurement shall be reduced for all retail customers  
6           based on the amount necessary to limit the annual  
7           estimated average net increase due to the costs of these  
8           resources included in the amounts paid by eligible retail  
9           customers in connection with electric service to no more  
10          than 4.25% of the amount paid per kilowatthour by those  
11          customers during the year ending May 31, 2009. To arrive  
12          at a maximum dollar amount of renewable energy resources  
13          to be procured for the particular delivery year, the  
14          resulting per kilowatthour amount shall be applied to the  
15          actual amount of kilowatthours of electricity delivered,  
16          or applicable portion of such amount as specified in  
17          paragraph (1) of this subsection (c), as applicable, by  
18          the electric utility in the delivery year immediately  
19          prior to the procurement to all retail customers in its  
20          service territory. The calculations required by this  
21          subparagraph (E) shall be made only once for each delivery  
22          year at the time that the renewable energy resources are  
23          procured. Once the determination as to the amount of  
24          renewable energy resources to procure is made based on the  
25          calculations set forth in this subparagraph (E) and the  
26          contracts procuring those amounts are executed, no

1 subsequent rate impact determinations shall be made and no  
2 adjustments to those contract amounts shall be allowed.  
3 All costs incurred under such contracts shall be fully  
4 recoverable by the electric utility as provided in this  
5 Section.

6 (F) If the limitation on the amount of renewable  
7 energy resources procured in subparagraph (E) of this  
8 paragraph (1) prevents the Agency from meeting all of the  
9 goals in this subsection (c), the Agency's long-term plan  
10 shall prioritize compliance with the requirements of this  
11 subsection (c) regarding renewable energy credits in the  
12 following order:

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

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

18 (ii) renewable energy credits necessary to comply  
19 with the new wind and new photovoltaic procurement  
20 requirements described in items (i) through (iii) of  
21 subparagraph (C) of this paragraph (1); and

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

24 (G) The following provisions shall apply to the  
25 Agency's procurement of renewable energy credits under  
26 this subsection (c):

1 (i) Notwithstanding whether a long-term renewable  
2 resources procurement plan has been approved, the  
3 Agency shall conduct an initial forward procurement  
4 for renewable energy credits from new utility-scale  
5 wind projects within 160 days after June 1, 2017 (the  
6 effective date of Public Act 99-906). For the purposes  
7 of this initial forward procurement, the Agency shall  
8 solicit 15-year contracts for delivery of 1,000,000  
9 renewable energy credits delivered annually from new  
10 utility-scale wind projects to begin delivery on June  
11 1, 2019, if available, but not later than June 1, 2021,  
12 unless the project has delays in the establishment of  
13 an operating interconnection with the applicable  
14 transmission or distribution system as a result of the  
15 actions or inactions of the transmission or  
16 distribution provider, or other causes for force  
17 majeure as outlined in the procurement contract, in  
18 which case, not later than June 1, 2022. Payments to  
19 suppliers of renewable energy credits shall commence  
20 upon delivery. Renewable energy credits procured under  
21 this initial procurement shall be included in the  
22 Agency's long-term plan and shall apply to all  
23 renewable energy goals in this subsection (c).

24 (ii) Notwithstanding whether a long-term renewable  
25 resources procurement plan has been approved, the  
26 Agency shall conduct an initial forward procurement

1 for renewable energy credits from new utility-scale  
2 solar projects and brownfield site photovoltaic  
3 projects within one year after June 1, 2017 (the  
4 effective date of Public Act 99-906). For the purposes  
5 of this initial forward procurement, the Agency shall  
6 solicit 15-year contracts for delivery of 1,000,000  
7 renewable energy credits delivered annually from new  
8 utility-scale solar projects and brownfield site  
9 photovoltaic projects to begin delivery on June 1,  
10 2019, if available, but not later than June 1, 2021,  
11 unless the project has delays in the establishment of  
12 an operating interconnection with the applicable  
13 transmission or distribution system as a result of the  
14 actions or inactions of the transmission or  
15 distribution provider, or other causes for force  
16 majeure as outlined in the procurement contract, in  
17 which case, not later than June 1, 2022. The Agency may  
18 structure this initial procurement in one or more  
19 discrete procurement events. Payments to suppliers of  
20 renewable energy credits shall commence upon delivery.  
21 Renewable energy credits procured under this initial  
22 procurement shall be included in the Agency's  
23 long-term plan and shall apply to all renewable energy  
24 goals in this subsection (c).

25 (iii) Notwithstanding whether the Commission has  
26 approved the periodic long-term renewable resources

1 procurement plan revision described in Section  
2 16-111.5 of the Public Utilities Act, the Agency shall  
3 conduct at least one subsequent forward procurement  
4 for renewable energy credits from new utility-scale  
5 wind projects, new utility-scale solar projects, and  
6 new brownfield site photovoltaic projects within 240  
7 days after the effective date of this amendatory Act  
8 of the 102nd General Assembly in quantities necessary  
9 to meet the requirements of subparagraph (C) of this  
10 paragraph (1) through the delivery year beginning June  
11 1, 2021.

12 (iv) Notwithstanding whether the Commission has  
13 approved the periodic long-term renewable resources  
14 procurement plan revision described in Section  
15 16-111.5 of the Public Utilities Act, the Agency shall  
16 open capacity for each category in the Adjustable  
17 Block program within 90 days after the effective date  
18 of this amendatory Act of the 102nd General Assembly  
19 manner:

20 (1) The Agency shall open the first block of  
21 annual capacity for the category described in item  
22 (i) of subparagraph (K) of this paragraph (1). The  
23 first block of annual capacity for item (i) shall  
24 be for at least 75 megawatts of total nameplate  
25 capacity. The price of the renewable energy credit  
26 for this block of capacity shall be 4% less than

1 the price of the last open block in this category.  
2 Projects on a waitlist shall be awarded contracts  
3 first in the order in which they appear on the  
4 waitlist. Notwithstanding anything to the  
5 contrary, for those renewable energy credits that  
6 qualify and are procured under this subitem (1) of  
7 this item (iv), the renewable energy credit  
8 delivery contract value shall be paid in full,  
9 based on the estimated generation during the first  
10 15 years of operation, by the contracting  
11 utilities at the time that the facility producing  
12 the renewable energy credits is interconnected at  
13 the distribution system level of the utility and  
14 verified as energized and in compliance by the  
15 Program Administrator. The electric utility shall  
16 receive and retire all renewable energy credits  
17 generated by the project for the first 15 years of  
18 operation. Renewable energy credits generated by  
19 the project thereafter shall not be transferred  
20 under the renewable energy credit delivery  
21 contract with the counterparty electric utility.

22 (2) The Agency shall open the first block of  
23 annual capacity for the category described in item  
24 (ii) of subparagraph (K) of this paragraph (1).  
25 The first block of annual capacity for item (ii)  
26 shall be for at least 75 megawatts of total

1 nameplate capacity.

2 (A) The price of the renewable energy  
3 credit for any project on a waitlist for this  
4 category before the opening of this block  
5 shall be 4% less than the price of the last  
6 open block in this category. Projects on the  
7 waitlist shall be awarded contracts first in  
8 the order in which they appear on the  
9 waitlist. Any projects that are less than or  
10 equal to 25 kilowatts in size on the waitlist  
11 for this capacity shall be moved to the  
12 waitlist for paragraph (1) of this item (iv).  
13 Notwithstanding anything to the contrary,  
14 projects that were on the waitlist prior to  
15 opening of this block shall not be required to  
16 be in compliance with the requirements of  
17 subparagraph (Q) of this paragraph (1) of this  
18 subsection (c). Notwithstanding anything to  
19 the contrary, for those renewable energy  
20 credits procured from projects that were on  
21 the waitlist for this category before the  
22 opening of this block 20% of the renewable  
23 energy credit delivery contract value, based  
24 on the estimated generation during the first  
25 15 years of operation, shall be paid by the  
26 contracting utilities at the time that the

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

14 (B) The price of renewable energy credits  
15 for any project not on the waitlist for this  
16 category before the opening of the block shall  
17 be determined and published by the Agency.  
18 Projects not on a waitlist as of the opening  
19 of this block shall be subject to the  
20 requirements of subparagraph (Q) of this  
21 paragraph (1), as applicable. Projects not on  
22 a waitlist as of the opening of this block  
23 shall be subject to the contract provisions  
24 outlined in item (iii) of subparagraph (L) of  
25 this paragraph (1). The Agency shall strive to  
26 publish updated prices and an updated

1 renewable energy credit delivery contract as  
2 quickly as possible.

3 (3) For opening the first 2 blocks of annual  
4 capacity for projects participating in item (iii)  
5 of subparagraph (K) of paragraph (1) of subsection  
6 (c), projects shall be selected exclusively from  
7 those projects on the ordinal waitlists of  
8 community renewable generation projects  
9 established by the Agency based on the status of  
10 those ordinal waitlists as of December 31, 2020,  
11 and only those projects previously determined to  
12 be eligible for the Agency's April 2019 community  
13 solar project selection process.

14 The first 2 blocks of annual capacity for item  
15 (iii) shall be for 250 megawatts of total  
16 nameplate capacity, with both blocks opening  
17 simultaneously under the schedule outlined in the  
18 paragraphs below. Projects shall be selected as  
19 follows:

20 (A) The geographic balance of selected  
21 projects shall follow the Group classification  
22 found in the Agency's Revised Long-Term  
23 Renewable Resources Procurement Plan, with 70%  
24 of capacity allocated to projects on the Group  
25 B waitlist and 30% of capacity allocated to  
26 projects on the Group A waitlist.

1           (B) Contract awards for waitlisted  
2 projects shall be allocated proportionate to  
3 the total nameplate capacity amount across  
4 both ordinal waitlists associated with that  
5 applicant firm or its affiliates, subject to  
6 the following conditions.

7           (i) Each applicant firm having a  
8 waitlisted project eligible for selection  
9 shall receive no less than 500 kilowatts  
10 in awarded capacity across all groups, and  
11 no approved vendor may receive more than  
12 20% of each Group's waitlist allocation.

13           (ii) Each applicant firm, upon  
14 receiving an award of program capacity  
15 proportionate to its waitlisted capacity,  
16 may then determine which waitlisted  
17 projects it chooses to be selected for a  
18 contract award up to that capacity amount.

19           (iii) Assuming all other program  
20 requirements are met, applicant firms may  
21 adjust the nameplate capacity of applicant  
22 projects without losing waitlist  
23 eligibility, so long as no project is  
24 greater than 2,000 kilowatts in size.

25           (iv) Assuming all other program  
26 requirements are met, applicant firms may

1           adjust the expected production associated  
2           with applicant projects, subject to  
3           verification by the Program Administrator.

4           (C) After a review of affiliate  
5           information and the current ordinal waitlists,  
6           the Agency shall announce the nameplate  
7           capacity award amounts associated with  
8           applicant firms no later than 90 days after  
9           the effective date of this amendatory Act of  
10          the 102nd General Assembly.

11          (D) Applicant firms shall submit their  
12          portfolio of projects used to satisfy those  
13          contract awards no less than 90 days after the  
14          Agency's announcement. The total nameplate  
15          capacity of all projects used to satisfy that  
16          portfolio shall be no greater than the  
17          Agency's nameplate capacity award amount  
18          associated with that applicant firm. An  
19          applicant firm may decline, in whole or in  
20          part, its nameplate capacity award without  
21          penalty, with such unmet capacity rolled over  
22          to the next block opening for project  
23          selection under item (iii) of subparagraph (K)  
24          of this subsection (c). Any projects not  
25          included in an applicant firm's portfolio may  
26          reapply without prejudice upon the next block

1 reopening for project selection under item  
2 (iii) of subparagraph (K) of this subsection  
3 (c).

4 (E) The renewable energy credit delivery  
5 contract shall be subject to the contract and  
6 payment terms outlined in item (iv) of  
7 subparagraph (L) of this subsection (c).  
8 Contract instruments used for this  
9 subparagraph shall contain the following  
10 terms:

11 (i) Renewable energy credit prices  
12 shall be fixed, without further adjustment  
13 under any other provision of this Act or  
14 for any other reason, at 10% lower than  
15 prices applicable to the last open block  
16 for this category, inclusive of any adders  
17 available for achieving a minimum of 50%  
18 of subscribers to the project's nameplate  
19 capacity being residential or small  
20 commercial customers with subscriptions of  
21 below 25 kilowatts in size;

22 (ii) A requirement that a minimum of  
23 50% of subscribers to the project's  
24 nameplate capacity be residential or small  
25 commercial customers with subscriptions of  
26 below 25 kilowatts in size;

1 (iii) Permission for the ability of a  
2 contract holder to substitute projects  
3 with other waitlisted projects without  
4 penalty should a project receive a  
5 non-binding estimate of costs to construct  
6 the interconnection facilities and any  
7 required distribution upgrades associated  
8 with that project of greater than 30 cents  
9 per watt AC of that project's nameplate  
10 capacity. In developing the applicable  
11 contract instrument, the Agency may  
12 consider whether other circumstances  
13 outside of the control of the applicant  
14 firm should also warrant project  
15 substitution rights.

16 The Agency shall publish a finalized  
17 updated renewable energy credit delivery  
18 contract developed consistent with these terms  
19 and conditions no less than 30 days before  
20 applicant firms must submit their portfolio of  
21 projects pursuant to item (D).

22 (F) To be eligible for an award, the  
23 applicant firm shall certify that not less  
24 than prevailing wage, as determined pursuant  
25 to the Illinois Prevailing Wage Act, was or  
26 will be paid to employees who are engaged in

1 construction activities associated with a  
2 selected project.

3 (4) The Agency shall open the first block of  
4 annual capacity for the category described in item  
5 (iv) of subparagraph (K) of this paragraph (1).  
6 The first block of annual capacity for item (iv)  
7 shall be for at least 50 megawatts of total  
8 nameplate capacity. Renewable energy credit prices  
9 shall be fixed, without further adjustment under  
10 any other provision of this Act or for any other  
11 reason, at the price in the last open block in the  
12 category described in item (ii) of subparagraph  
13 (K) of this paragraph (1). Pricing for future  
14 blocks of annual capacity for this category may be  
15 adjusted in the Agency's second revision to its  
16 Long-Term Renewable Resources Procurement Plan.  
17 Projects in this category shall be subject to the  
18 contract terms outlined in item (iv) of  
19 subparagraph (L) of this paragraph (1).

20 (5) The Agency shall open the equivalent of 2  
21 years of annual capacity for the category  
22 described in item (v) of subparagraph (K) of this  
23 paragraph (1). The first block of annual capacity  
24 for item (v) shall be for at least 10 megawatts of  
25 total nameplate capacity. Notwithstanding the  
26 provisions of item (v) of subparagraph (K) of this

1 paragraph (1), for the purpose of this initial  
2 block, the agency shall accept new project  
3 applications intended to increase the diversity of  
4 areas hosting community solar projects, the  
5 business models of projects, and the size of  
6 projects, as described by the Agency in its  
7 long-term renewable resources procurement plan  
8 that is approved as of the effective date of this  
9 amendatory Act of the 102nd General Assembly.  
10 Projects in this category shall be subject to the  
11 contract terms outlined in item (iii) of  
12 subsection (L) of this paragraph (1).

13 (6) The Agency shall open the first blocks of  
14 annual capacity for the category described in item  
15 (vi) of subparagraph (K) of this paragraph (1),  
16 with allocations of capacity within the block  
17 generally matching the historical share of block  
18 capacity allocated between the category described  
19 in items (i) and (ii) of subparagraph (K) of this  
20 paragraph (1). The first two blocks of annual  
21 capacity for item (vi) shall be for at least 75  
22 megawatts of total nameplate capacity. The price  
23 of renewable energy credits for the blocks of  
24 capacity shall be 4% less than the price of the  
25 last open blocks in the categories described in  
26 items (i) and (ii) of subparagraph (K) of this

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

8 (v) Upon the effective date of this amendatory Act  
9 of the 102nd General Assembly, for all competitive  
10 procurements and any procurements of renewable energy  
11 credit from new utility-scale wind and new  
12 utility-scale photovoltaic projects, the Agency shall  
13 procure indexed renewable energy credits and direct  
14 respondents to offer a strike price.

15 (1) The purchase price of the indexed  
16 renewable energy credit payment shall be  
17 calculated for each settlement period. That  
18 payment, for any settlement period, shall be equal  
19 to the difference resulting from subtracting the  
20 strike price from the index price for that  
21 settlement period. If this difference results in a  
22 negative number, the indexed REC counterparty  
23 shall owe the seller the absolute value multiplied  
24 by the quantity of energy produced in the relevant  
25 settlement period. If this difference results in a  
26 positive number, the seller shall owe the indexed

1 REC counterparty this amount multiplied by the  
2 quantity of energy produced in the relevant  
3 settlement period.

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

7 (3) To ensure funding in the annual budget  
8 established under subparagraph (E) for indexed  
9 renewable energy credit procurements for each year  
10 of the term of such contracts, which must have a  
11 minimum tenure of 20 calendar years, the  
12 procurement administrator, Agency, Commission  
13 staff, and procurement monitor shall quantify the  
14 annual cost of the contract by utilizing an  
15 industry-standard, third-party forward price curve  
16 for energy at the appropriate hub or load zone,  
17 including the estimated magnitude and timing of  
18 the price effects related to federal carbon  
19 controls. Each forward price curve shall contain a  
20 specific value of the forecasted market price of  
21 electricity for each annual delivery year of the  
22 contract. For procurement planning purposes, the  
23 impact on the annual budget for the cost of  
24 indexed renewable energy credits for each delivery  
25 year shall be determined as the expected annual  
26 contract expenditure for that year, equaling the

1 difference between (i) the sum across all relevant  
2 contracts of the applicable strike price  
3 multiplied by contract quantity and (ii) the sum  
4 across all relevant contracts of the forward price  
5 curve for the applicable load zone for that year  
6 multiplied by contract quantity. The contracting  
7 utility shall not assume an obligation in excess  
8 of the estimated annual cost of the contracts for  
9 indexed renewable energy credits. Forward curves  
10 shall be revised on an annual basis as updated  
11 forward price curves are released and filed with  
12 the Commission in the proceeding approving the  
13 Agency's most recent long-term renewable resources  
14 procurement plan. If the expected contract spend  
15 is higher or lower than the total quantity of  
16 contracts multiplied by the forward price curve  
17 value for that year, the forward price curve shall  
18 be updated by the procurement administrator, in  
19 consultation with the Agency, Commission staff,  
20 and procurement monitors, using then-currently  
21 available price forecast data and additional  
22 budget dollars shall be obligated or reobligated  
23 as appropriate.

24 (4) To ensure that indexed renewable energy  
25 credit prices remain predictable and affordable,  
26 the Agency may consider the institution of a price

1 collar on REC prices paid under indexed renewable  
2 energy credit procurements establishing floor and  
3 ceiling REC prices applicable to indexed REC  
4 contract prices. Any price collars applicable to  
5 indexed REC procurements shall be proposed by the  
6 Agency through its long-term renewable resources  
7 procurement plan.

8 (vi) All procurements under this subparagraph (G),  
9 including the procurement of renewable energy credits  
10 from hydropower facilities, shall comply with the  
11 geographic requirements in subparagraph (I) of this  
12 paragraph (1) and shall follow the procurement  
13 processes and procedures described in this Section and  
14 Section 16-111.5 of the Public Utilities Act to the  
15 extent practicable, and these processes and procedures  
16 may be expedited to accommodate the schedule  
17 established by this subparagraph (G).

18 (vii) On and after the effective date of this  
19 amendatory Act of the 103rd General Assembly, for all  
20 procurements of renewable energy credits from  
21 hydropower facilities, the Agency shall establish  
22 contract terms designed to optimize existing  
23 hydropower facilities through modernization or  
24 retooling and establish new hydropower facilities at  
25 existing dams. Procurements made under this item (vii)  
26 shall prioritize projects located in designated

1 environmental justice communities, as defined in  
2 subsection (b) of Section 1-56 of this Act, or in  
3 projects located in units of local government with  
4 median incomes that do not exceed 82% of the median  
5 income of the State.

6 (H) The procurement of renewable energy resources for  
7 a given delivery year shall be reduced as described in  
8 this subparagraph (H) if an alternative retail electric  
9 supplier meets the requirements described in this  
10 subparagraph (H).

11 (i) Within 45 days after June 1, 2017 (the  
12 effective date of Public Act 99-906), an alternative  
13 retail electric supplier or its successor shall submit  
14 an informational filing to the Illinois Commerce  
15 Commission certifying that, as of December 31, 2015,  
16 the alternative retail electric supplier owned one or  
17 more electric generating facilities that generates  
18 renewable energy resources as defined in Section 1-10  
19 of this Act, provided that such facilities are not  
20 powered by wind or photovoltaics, and the facilities  
21 generate one renewable energy credit for each  
22 megawatthour of energy produced from the facility.

23 The informational filing shall identify each  
24 facility that was eligible to satisfy the alternative  
25 retail electric supplier's obligations under Section  
26 16-115D of the Public Utilities Act as described in

1           this item (i).

2           (ii) For a given delivery year, the alternative  
3           retail electric supplier may elect to supply its  
4           retail customers with renewable energy credits from  
5           the facility or facilities described in item (i) of  
6           this subparagraph (H) that continue to be owned by the  
7           alternative retail electric supplier.

8           (iii) The alternative retail electric supplier  
9           shall notify the Agency and the applicable utility, no  
10          later than February 28 of the year preceding the  
11          applicable delivery year or 15 days after June 1, 2017  
12          (the effective date of Public Act 99-906), whichever  
13          is later, of its election under item (ii) of this  
14          subparagraph (H) to supply renewable energy credits to  
15          retail customers of the utility. Such election shall  
16          identify the amount of renewable energy credits to be  
17          supplied by the alternative retail electric supplier  
18          to the utility's retail customers and the source of  
19          the renewable energy credits identified in the  
20          informational filing as described in item (i) of this  
21          subparagraph (H), subject to the following  
22          limitations:

23                       For the delivery year beginning June 1, 2018,  
24                       the maximum amount of renewable energy credits to  
25                       be supplied by an alternative retail electric  
26                       supplier under this subparagraph (H) shall be 68%

1 multiplied by 25% multiplied by 14.5% multiplied  
2 by the amount of metered electricity  
3 (megawatt-hours) delivered by the alternative  
4 retail electric supplier to Illinois retail  
5 customers during the delivery year ending May 31,  
6 2016.

7 For delivery years beginning June 1, 2019 and  
8 each year thereafter, the maximum amount of  
9 renewable energy credits to be supplied by an  
10 alternative retail electric supplier under this  
11 subparagraph (H) shall be 68% multiplied by 50%  
12 multiplied by 16% multiplied by the amount of  
13 metered electricity (megawatt-hours) delivered by  
14 the alternative retail electric supplier to  
15 Illinois retail customers during the delivery year  
16 ending May 31, 2016, provided that the 16% value  
17 shall increase by 1.5% each delivery year  
18 thereafter to 25% by the delivery year beginning  
19 June 1, 2025, and thereafter the 25% value shall  
20 apply to each delivery year.

21 For each delivery year, the total amount of  
22 renewable energy credits supplied by all alternative  
23 retail electric suppliers under this subparagraph (H)  
24 shall not exceed 9% of the Illinois target renewable  
25 energy credit quantity. The Illinois target renewable  
26 energy credit quantity for the delivery year beginning

1 June 1, 2018 is 14.5% multiplied by the total amount of  
2 metered electricity (megawatt-hours) delivered in the  
3 delivery year immediately preceding that delivery  
4 year, provided that the 14.5% shall increase by 1.5%  
5 each delivery year thereafter to 25% by the delivery  
6 year beginning June 1, 2025, and thereafter the 25%  
7 value shall apply to each delivery year.

8 If the requirements set forth in items (i) through  
9 (iii) of this subparagraph (H) are met, the charges  
10 that would otherwise be applicable to the retail  
11 customers of the alternative retail electric supplier  
12 under paragraph (6) of this subsection (c) for the  
13 applicable delivery year shall be reduced by the ratio  
14 of the quantity of renewable energy credits supplied  
15 by the alternative retail electric supplier compared  
16 to that supplier's target renewable energy credit  
17 quantity. The supplier's target renewable energy  
18 credit quantity for the delivery year beginning June  
19 1, 2018 is 14.5% multiplied by the total amount of  
20 metered electricity (megawatt-hours) delivered by the  
21 alternative retail supplier in that delivery year,  
22 provided that the 14.5% shall increase by 1.5% each  
23 delivery year thereafter to 25% by the delivery year  
24 beginning June 1, 2025, and thereafter the 25% value  
25 shall apply to each delivery year.

26 On or before April 1 of each year, the Agency shall

1           annually publish a report on its website that  
2           identifies the aggregate amount of renewable energy  
3           credits supplied by alternative retail electric  
4           suppliers under this subparagraph (H).

5           (I) The Agency shall design its long-term renewable  
6           energy procurement plan to maximize the State's interest  
7           in the health, safety, and welfare of its residents,  
8           including but not limited to minimizing sulfur dioxide,  
9           nitrogen oxide, particulate matter and other pollution  
10          that adversely affects public health in this State,  
11          increasing fuel and resource diversity in this State,  
12          enhancing the reliability and resiliency of the  
13          electricity distribution system in this State, meeting  
14          goals to limit carbon dioxide emissions under federal or  
15          State law, and contributing to a cleaner and healthier  
16          environment for the citizens of this State. In order to  
17          further these legislative purposes, renewable energy  
18          credits shall be eligible to be counted toward the  
19          renewable energy requirements of this subsection (c) if  
20          they are generated from facilities located in this State.  
21          The Agency may qualify renewable energy credits from  
22          facilities located in states adjacent to Illinois or  
23          renewable energy credits associated with the electricity  
24          generated by a utility-scale wind energy facility or  
25          utility-scale photovoltaic facility and transmitted by a  
26          qualifying direct current project described in subsection

1 (b-5) of Section 8-406 of the Public Utilities Act to a  
2 delivery point on the electric transmission grid located  
3 in this State or a state adjacent to Illinois, if the  
4 generator demonstrates and the Agency determines that the  
5 operation of such facility or facilities will help promote  
6 the State's interest in the health, safety, and welfare of  
7 its residents based on the public interest criteria  
8 described above. For the purposes of this Section,  
9 renewable resources that are delivered via a high voltage  
10 direct current converter station located in Illinois shall  
11 be deemed generated in Illinois at the time and location  
12 the energy is converted to alternating current by the high  
13 voltage direct current converter station if the high  
14 voltage direct current transmission line: (i) after the  
15 effective date of this amendatory Act of the 102nd General  
16 Assembly, was constructed with a project labor agreement;  
17 (ii) is capable of transmitting electricity at 525kv;  
18 (iii) has an Illinois converter station located and  
19 interconnected in the region of the PJM Interconnection,  
20 LLC; (iv) does not operate as a public utility; and (v) if  
21 the high voltage direct current transmission line was  
22 energized after June 1, 2023. To ensure that the public  
23 interest criteria are applied to the procurement and given  
24 full effect, the Agency's long-term procurement plan shall  
25 describe in detail how each public interest factor shall  
26 be considered and weighted for facilities located in

1 states adjacent to Illinois.

2 (J) In order to promote the competitive development of  
3 renewable energy resources in furtherance of the State's  
4 interest in the health, safety, and welfare of its  
5 residents, renewable energy credits shall not be eligible  
6 to be counted toward the renewable energy requirements of  
7 this subsection (c) if they are sourced from a generating  
8 unit whose costs were being recovered through rates  
9 regulated by this State or any other state or states on or  
10 after January 1, 2017. Each contract executed to purchase  
11 renewable energy credits under this subsection (c) shall  
12 provide for the contract's termination if the costs of the  
13 generating unit supplying the renewable energy credits  
14 subsequently begin to be recovered through rates regulated  
15 by this State or any other state or states; and each  
16 contract shall further provide that, in that event, the  
17 supplier of the credits must return 110% of all payments  
18 received under the contract. Amounts returned under the  
19 requirements of this subparagraph (J) shall be retained by  
20 the utility and all of these amounts shall be used for the  
21 procurement of additional renewable energy credits from  
22 new wind or new photovoltaic resources as defined in this  
23 subsection (c). The long-term plan shall provide that  
24 these renewable energy credits shall be procured in the  
25 next procurement event.

26 Notwithstanding the limitations of this subparagraph

1 (J), renewable energy credits sourced from generating  
2 units that are constructed, purchased, owned, or leased by  
3 an electric utility as part of an approved project,  
4 program, or pilot under Section 1-56 of this Act shall be  
5 eligible to be counted toward the renewable energy  
6 requirements of this subsection (c), regardless of how the  
7 costs of these units are recovered. As long as a  
8 generating unit or an identifiable portion of a generating  
9 unit has not had and does not have its costs recovered  
10 through rates regulated by this State or any other state,  
11 HVDC renewable energy credits associated with that  
12 generating unit or identifiable portion thereof shall be  
13 eligible to be counted toward the renewable energy  
14 requirements of this subsection (c).

15 (K) The long-term renewable resources procurement plan  
16 developed by the Agency in accordance with subparagraph  
17 (A) of this paragraph (1) shall include an Adjustable  
18 Block program for the procurement of renewable energy  
19 credits from new photovoltaic projects that are  
20 distributed renewable energy generation devices or new  
21 photovoltaic community renewable generation projects. The  
22 Adjustable Block program shall be generally designed to  
23 provide for the steady, predictable, and sustainable  
24 growth of new solar photovoltaic development in Illinois.  
25 To this end, the Adjustable Block program shall provide a  
26 transparent annual schedule of prices and quantities to

1 enable the photovoltaic market to scale up and for  
2 renewable energy credit prices to adjust at a predictable  
3 rate over time. The prices set by the Adjustable Block  
4 program can be reflected as a set value or as the product  
5 of a formula.

6 The Adjustable Block program shall include for each  
7 category of eligible projects for each delivery year: a  
8 single block of nameplate capacity, a price for renewable  
9 energy credits within that block, and the terms and  
10 conditions for securing a spot on a waitlist once the  
11 block is fully committed or reserved. Except as outlined  
12 below, the waitlist of projects in a given year will carry  
13 over to apply to the subsequent year when another block is  
14 opened. Only projects energized on or after June 1, 2017  
15 shall be eligible for the Adjustable Block program. For  
16 each category for each delivery year the Agency shall  
17 determine the amount of generation capacity in each block,  
18 and the purchase price for each block, provided that the  
19 purchase price provided and the total amount of generation  
20 in all blocks for all categories shall be sufficient to  
21 meet the goals in this subsection (c). The Agency shall  
22 strive to issue a single block sized to provide for  
23 stability and market growth. The Agency shall establish  
24 program eligibility requirements that ensure that projects  
25 that enter the program are sufficiently mature to indicate  
26 a demonstrable path to completion. The Agency may

1 periodically review its prior decisions establishing the  
2 amount of generation capacity in each block, and the  
3 purchase price for each block, and may propose, on an  
4 expedited basis, changes to these previously set values,  
5 including but not limited to redistributing these amounts  
6 and the available funds as necessary and appropriate,  
7 subject to Commission approval as part of the periodic  
8 plan revision process described in Section 16-111.5 of the  
9 Public Utilities Act. The Agency may define different  
10 block sizes, purchase prices, or other distinct terms and  
11 conditions for projects located in different utility  
12 service territories if the Agency deems it necessary to  
13 meet the goals in this subsection (c).

14 The Adjustable Block program shall include the  
15 following categories in at least the following amounts:

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

19 (ii) At least 20% from distributed renewable  
20 energy generation devices with a nameplate capacity of  
21 more than 25 kilowatts and no more than 5,000  
22 kilowatts. The Agency may create sub-categories within  
23 this category to account for the differences between  
24 projects for small commercial customers, large  
25 commercial customers, and public or non-profit  
26 customers.

1           (iii) At least 30% from photovoltaic community  
2 renewable generation projects. Capacity for this  
3 category for the first 2 delivery years after the  
4 effective date of this amendatory Act of the 102nd  
5 General Assembly shall be allocated to waitlist  
6 projects as provided in paragraph (3) of item (iv) of  
7 subparagraph (G). Starting in the third delivery year  
8 after the effective date of this amendatory Act of the  
9 102nd General Assembly or earlier if the Agency  
10 determines there is additional capacity needed for to  
11 meet previous delivery year requirements, the  
12 following shall apply:

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

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

21           (3) projects shall not be colocated with one  
22 or more other community renewable generation  
23 projects, as defined in the Agency's first revised  
24 long-term renewable resources procurement plan  
25 approved by the Commission on February 18, 2020,  
26 such that the aggregate nameplate capacity exceeds

1           5,000 kilowatts; and

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

7           (iv) At least 15% from distributed renewable  
8           generation devices or photovoltaic community renewable  
9           generation projects installed on public school land.  
10          The Agency may create subcategories within this  
11          category to account for the differences between  
12          project size or location. Projects located within  
13          environmental justice communities or within  
14          Organizational Units that fall within Tier 1 or Tier 2  
15          shall be given priority. Each of the Agency's periodic  
16          updates to its long-term renewable resources  
17          procurement plan to incorporate the procurement  
18          described in this subparagraph (iv) shall also include  
19          the proposed quantities or blocks, pricing, and  
20          contract terms applicable to the procurement as  
21          indicated herein. In each such update and procurement,  
22          the Agency shall set the renewable energy credit price  
23          and establish payment terms for the renewable energy  
24          credits procured pursuant to this subparagraph (iv)  
25          that make it feasible and affordable for public  
26          schools to install photovoltaic distributed renewable

1 energy devices on their premises, including, but not  
2 limited to, those public schools subject to the  
3 prioritization provisions of this subparagraph. For  
4 the purposes of this item (iv):

5 "Environmental Justice Community" shall have the  
6 same meaning set forth in the Agency's long-term  
7 renewable resources procurement plan;

8 "Organization Unit", "Tier 1" and "Tier 2" shall  
9 have the meanings set for in Section 18-8.15 of the  
10 School Code;

11 "Public schools" shall have the meaning set forth  
12 in Section 1-3 of the School Code and includes public  
13 institutions of higher education, as defined in the  
14 Board of Higher Education Act.

15 (v) At least 5% from community-driven community  
16 solar projects intended to provide more direct and  
17 tangible connection and benefits to the communities  
18 which they serve or in which they operate and,  
19 additionally, to increase the variety of community  
20 solar locations, models, and options in Illinois. As  
21 part of its long-term renewable resources procurement  
22 plan, the Agency shall develop selection criteria for  
23 projects participating in this category. Nothing in  
24 this Section shall preclude the Agency from creating a  
25 selection process that maximizes community ownership  
26 and community benefits in selecting projects to

1 receive renewable energy credits. Selection criteria  
2 shall include:

3 (1) community ownership or community  
4 wealth-building;

5 (2) additional direct and indirect community  
6 benefit, beyond project participation as a  
7 subscriber, including, but not limited to,  
8 economic, environmental, social, cultural, and  
9 physical benefits;

10 (3) meaningful involvement in project  
11 organization and development by community members  
12 or nonprofit organizations or public entities  
13 located in or serving the community;

14 (4) engagement in project operations and  
15 management by nonprofit organizations, public  
16 entities, or community members; and

17 (5) whether a project is developed in response  
18 to a site-specific RFP developed by community  
19 members or a nonprofit organization or public  
20 entity located in or serving the community.

21 Selection criteria may also prioritize projects  
22 that:

23 (1) are developed in collaboration with or to  
24 provide complementary opportunities for the Clean  
25 Jobs Workforce Network Program, the Illinois  
26 Climate Works Preapprenticeship Program, the

1 Returning Residents Clean Jobs Training Program,  
2 the Clean Energy Contractor Incubator Program, or  
3 the Clean Energy Primes Contractor Accelerator  
4 Program;

5 (2) increase the diversity of locations of  
6 community solar projects in Illinois, including by  
7 locating in urban areas and population centers;

8 (3) are located in Equity Investment Eligible  
9 Communities;

10 (4) are not greenfield projects;

11 (5) serve only local subscribers;

12 (6) have a nameplate capacity that does not  
13 exceed 500 kW;

14 (7) are developed by an equity eligible  
15 contractor; or

16 (8) otherwise meaningfully advance the goals  
17 of providing more direct and tangible connection  
18 and benefits to the communities which they serve  
19 or in which they operate and increasing the  
20 variety of community solar locations, models, and  
21 options in Illinois.

22 For the purposes of this item (v):

23 "Community" means a social unit in which people  
24 come together regularly to effect change; a social  
25 unit in which participants are marked by a cooperative  
26 spirit, a common purpose, or shared interests or

1 characteristics; or a space understood by its  
2 residents to be delineated through geographic  
3 boundaries or landmarks.

4 "Community benefit" means a range of services and  
5 activities that provide affirmative, economic,  
6 environmental, social, cultural, or physical value to  
7 a community; or a mechanism that enables economic  
8 development, high-quality employment, and education  
9 opportunities for local workers and residents, or  
10 formal monitoring and oversight structures such that  
11 community members may ensure that those services and  
12 activities respond to local knowledge and needs.

13 "Community ownership" means an arrangement in  
14 which an electric generating facility is, or over time  
15 will be, in significant part, owned collectively by  
16 members of the community to which an electric  
17 generating facility provides benefits; members of that  
18 community participate in decisions regarding the  
19 governance, operation, maintenance, and upgrades of  
20 and to that facility; and members of that community  
21 benefit from regular use of that facility.

22 Terms and guidance within these criteria that are  
23 not defined in this item (v) shall be defined by the  
24 Agency, with stakeholder input, during the development  
25 of the Agency's long-term renewable resources  
26 procurement plan. The Agency shall develop regular

1 opportunities for projects to submit applications for  
2 projects under this category, and develop selection  
3 criteria that gives preference to projects that better  
4 meet individual criteria as well as projects that  
5 address a higher number of criteria.

6 (vi) At least 10% from distributed renewable  
7 energy generation devices, which includes distributed  
8 renewable energy devices with a nameplate capacity  
9 under 5,000 kilowatts or photovoltaic community  
10 renewable generation projects, from applicants that  
11 are equity eligible contractors. The Agency may create  
12 subcategories within this category to account for the  
13 differences between project size and type. The Agency  
14 shall propose to increase the percentage in this item  
15 (vi) over time to 40% based on factors, including, but  
16 not limited to, the number of equity eligible  
17 contractors and capacity used in this item (vi) in  
18 previous delivery years.

19 The Agency shall propose a payment structure for  
20 contracts executed pursuant to this paragraph under  
21 which, upon a demonstration of qualification or need,  
22 applicant firms are advanced capital disbursed after  
23 contract execution but before the contracted project's  
24 energization. The amount or percentage of capital  
25 advanced prior to project energization shall be  
26 sufficient to both cover any increase in development

1 costs resulting from prevailing wage requirements or  
2 project-labor agreements, and designed to overcome  
3 barriers in access to capital faced by equity eligible  
4 contractors. The amount or percentage of advanced  
5 capital may vary by subcategory within this category  
6 and by an applicant's demonstration of need, with such  
7 levels to be established through the Long-Term  
8 Renewable Resources Procurement Plan authorized under  
9 subparagraph (A) of paragraph (1) of subsection (c) of  
10 this Section.

11 Contracts developed featuring capital advanced  
12 prior to a project's energization shall feature  
13 provisions to ensure both the successful development  
14 of applicant projects and the delivery of the  
15 renewable energy credits for the full term of the  
16 contract, including ongoing collateral requirements  
17 and other provisions deemed necessary by the Agency,  
18 and may include energization timelines longer than for  
19 comparable project types. The percentage or amount of  
20 capital advanced prior to project energization shall  
21 not operate to increase the overall contract value,  
22 however contracts executed under this subparagraph may  
23 feature renewable energy credit prices higher than  
24 those offered to similar projects participating in  
25 other categories. Capital advanced prior to  
26 energization shall serve to reduce the ratable

1 payments made after energization under items (ii) and  
2 (iii) of subparagraph (L) or payments made for each  
3 renewable energy credit delivery under item (iv) of  
4 subparagraph (L).

5 (vii) The remaining capacity shall be allocated by  
6 the Agency in order to respond to market demand. The  
7 Agency shall allocate any discretionary capacity prior  
8 to the beginning of each delivery year.

9 To the extent there is uncontracted capacity from any  
10 block in any of categories (i) through (vi) at the end of a  
11 delivery year, the Agency shall redistribute that capacity  
12 to one or more other categories giving priority to  
13 categories with projects on a waitlist. The redistributed  
14 capacity shall be added to the annual capacity in the  
15 subsequent delivery year, and the price for renewable  
16 energy credits shall be the price for the new delivery  
17 year. Redistributed capacity shall not be considered  
18 redistributed when determining whether the goals in this  
19 subsection (K) have been met.

20 Notwithstanding anything to the contrary, as the  
21 Agency increases the capacity in item (vi) to 40% over  
22 time, the Agency may reduce the capacity of items (i)  
23 through (v) proportionate to the capacity of the  
24 categories of projects in item (vi), to achieve a balance  
25 of project types.

26 The Adjustable Block program shall be designed to

1 ensure that renewable energy credits are procured from  
2 projects in diverse locations and are not concentrated in  
3 a few regional areas.

4 (L) Notwithstanding provisions for advancing capital  
5 prior to project energization found in item (vi) of  
6 subparagraph (K), the procurement of photovoltaic  
7 renewable energy credits under items (i) through (vi) of  
8 subparagraph (K) of this paragraph (1) shall otherwise be  
9 subject to the following contract and payment terms:

10 (i) (Blank).

11 (ii) For those renewable energy credits that  
12 qualify and are procured under item (i) of  
13 subparagraph (K) of this paragraph (1), and any  
14 similar category projects that are procured under item  
15 (vi) of subparagraph (K) of this paragraph (1) that  
16 qualify and are procured under item (vi), the contract  
17 length shall be 15 years. The renewable energy credit  
18 delivery contract value shall be paid in full, based  
19 on the estimated generation during the first 15 years  
20 of 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 electric  
25 utility shall receive and retire all renewable energy  
26 credits generated by the project for the first 15

1 years of operation. Renewable energy credits generated  
2 by the project thereafter shall not be transferred  
3 under the renewable energy credit delivery contract  
4 with the counterparty electric utility.

5 (iii) For those renewable energy credits that  
6 qualify and are procured under item (ii) and (v) of  
7 subparagraph (K) of this paragraph (1) and any like  
8 projects similar category that qualify and are  
9 procured under item (vi), the contract length shall be  
10 15 years. 15% of the renewable energy credit delivery  
11 contract value, based on the estimated generation  
12 during the first 15 years of operation, shall be paid  
13 by the contracting utilities at the time that the  
14 facility producing the renewable energy credits is  
15 interconnected at the distribution system level of the  
16 utility and verified as energized and compliant by the  
17 Program Administrator. The remaining portion shall be  
18 paid ratably over the subsequent 6-year period. The  
19 electric utility shall receive and retire all  
20 renewable energy credits generated by the project for  
21 the first 15 years of operation. Renewable energy  
22 credits generated by the project thereafter shall not  
23 be transferred under the renewable energy credit  
24 delivery contract with the counterparty electric  
25 utility.

26 (iv) For those renewable energy credits that

1 qualify and are procured under items (iii) and (iv) of  
2 subparagraph (K) of this paragraph (1), and any like  
3 projects that qualify and are procured under item  
4 (vi), the renewable energy credit delivery contract  
5 length shall be 20 years and shall be paid over the  
6 delivery term, not to exceed during each delivery year  
7 the contract price multiplied by the estimated annual  
8 renewable energy credit generation amount. If  
9 generation of renewable energy credits during a  
10 delivery year exceeds the estimated annual generation  
11 amount, the excess renewable energy credits shall be  
12 carried forward to future delivery years and shall not  
13 expire during the delivery term. If generation of  
14 renewable energy credits during a delivery year,  
15 including carried forward excess renewable energy  
16 credits, if any, is less than the estimated annual  
17 generation amount, payments during such delivery year  
18 will not exceed the quantity generated plus the  
19 quantity carried forward multiplied by the contract  
20 price. The electric utility shall receive all  
21 renewable energy credits generated by the project  
22 during the first 20 years of operation and retire all  
23 renewable energy credits paid for under this item (iv)  
24 and return at the end of the delivery term all  
25 renewable energy credits that were not paid for.  
26 Renewable energy credits generated by the project

1           thereafter shall not be transferred under the  
2           renewable energy credit delivery contract with the  
3           counterparty electric utility. Notwithstanding the  
4           preceding, for those projects participating under item  
5           (iii) of subparagraph (K), the contract price for a  
6           delivery year shall be based on subscription levels as  
7           measured on the higher of the first business day of the  
8           delivery year or the first business day 6 months after  
9           the first business day of the delivery year.  
10          Subscription of 90% of nameplate capacity or greater  
11          shall be deemed to be fully subscribed for the  
12          purposes of this item (iv). For projects receiving a  
13          20-year delivery contract, REC prices shall be  
14          adjusted downward for consistency with the incentive  
15          levels previously determined to be necessary to  
16          support projects under 15-year delivery contracts,  
17          taking into consideration any additional new  
18          requirements placed on the projects, including, but  
19          not limited to, labor standards.

20                 (v) Each contract shall include provisions to  
21                 ensure the delivery of the estimated quantity of  
22                 renewable energy credits and ongoing collateral  
23                 requirements and other provisions deemed appropriate  
24                 by the Agency.

25                 (vi) The utility shall be the counterparty to the  
26                 contracts executed under this subparagraph (L) that

1 are approved by the Commission under the process  
2 described in Section 16-111.5 of the Public Utilities  
3 Act. No contract shall be executed for an amount that  
4 is less than one renewable energy credit per year.

5 (vii) If, at any time, approved applications for  
6 the Adjustable Block program exceed funds collected by  
7 the electric utility or would cause the Agency to  
8 exceed the limitation described in subparagraph (E) of  
9 this paragraph (1) on the amount of renewable energy  
10 resources that may be procured, then the Agency may  
11 consider future uncommitted funds to be reserved for  
12 these contracts on a first-come, first-served basis.

13 (viii) Nothing in this Section shall require the  
14 utility to advance any payment or pay any amounts that  
15 exceed the actual amount of revenues anticipated to be  
16 collected by the utility under paragraph (6) of this  
17 subsection (c) and subsection (k) of Section 16-108 of  
18 the Public Utilities Act inclusive of eligible funds  
19 collected in prior years and alternative compliance  
20 payments for use by the utility, and contracts  
21 executed under this Section shall expressly  
22 incorporate this limitation.

23 (ix) Notwithstanding other requirements of this  
24 subparagraph (L), no modification shall be required to  
25 Adjustable Block program contracts if they were  
26 already executed prior to the establishment, approval,

1 and implementation of new contract forms as a result  
2 of this amendatory Act of the 102nd General Assembly.

3 (x) Contracts may be assignable, but only to  
4 entities first deemed by the Agency to have met  
5 program terms and requirements applicable to direct  
6 program participation. In developing contracts for the  
7 delivery of renewable energy credits, the Agency shall  
8 be permitted to establish fees applicable to each  
9 contract assignment.

10 (M) The Agency shall be authorized to retain one or  
11 more experts or expert consulting firms to develop,  
12 administer, implement, operate, and evaluate the  
13 Adjustable Block program described in subparagraph (K) of  
14 this paragraph (1), and the Agency shall retain the  
15 consultant or consultants in the same manner, to the  
16 extent practicable, as the Agency retains others to  
17 administer provisions of this Act, including, but not  
18 limited to, the procurement administrator. The selection  
19 of experts and expert consulting firms and the procurement  
20 process described in this subparagraph (M) are exempt from  
21 the requirements of Section 20-10 of the Illinois  
22 Procurement Code, under Section 20-10 of that Code. The  
23 Agency shall strive to minimize administrative expenses in  
24 the implementation of the Adjustable Block program.

25 The Program Administrator may charge application fees  
26 to participating firms to cover the cost of program

1 administration. Any application fee amounts shall  
2 initially be determined through the long-term renewable  
3 resources procurement plan, and modifications to any  
4 application fee that deviate more than 25% from the  
5 Commission's approved value must be approved by the  
6 Commission as a long-term plan revision under Section  
7 16-111.5 of the Public Utilities Act. The Agency shall  
8 consider stakeholder feedback when making adjustments to  
9 application fees and shall notify stakeholders in advance  
10 of any planned changes.

11 In addition to covering the costs of program  
12 administration, the Agency, in conjunction with its  
13 Program Administrator, may also use the proceeds of such  
14 fees charged to participating firms to support public  
15 education and ongoing regional and national coordination  
16 with nonprofit organizations, public bodies, and others  
17 engaged in the implementation of renewable energy  
18 incentive programs or similar initiatives. This work may  
19 include developing papers and reports, hosting regional  
20 and national conferences, and other work deemed necessary  
21 by the Agency to position the State of Illinois as a  
22 national leader in renewable energy incentive program  
23 development and administration.

24 The Agency and its consultant or consultants shall  
25 monitor block activity, share program activity with  
26 stakeholders and conduct quarterly meetings to discuss

1 program activity and market conditions. If necessary, the  
2 Agency may make prospective administrative adjustments to  
3 the Adjustable Block program design, such as making  
4 adjustments to purchase prices as necessary to achieve the  
5 goals of this subsection (c). Program modifications to any  
6 block price that do not deviate from the Commission's  
7 approved value by more than 10% shall take effect  
8 immediately and are not subject to Commission review and  
9 approval. Program modifications to any block price that  
10 deviate more than 10% from the Commission's approved value  
11 must be approved by the Commission as a long-term plan  
12 amendment under Section 16-111.5 of the Public Utilities  
13 Act. The Agency shall consider stakeholder feedback when  
14 making adjustments to the Adjustable Block design and  
15 shall notify stakeholders in advance of any planned  
16 changes.

17 The Agency and its program administrators for both the  
18 Adjustable Block program and the Illinois Solar for All  
19 Program, consistent with the requirements of this  
20 subsection (c) and subsection (b) of Section 1-56 of this  
21 Act, shall propose the Adjustable Block program terms,  
22 conditions, and requirements, including the prices to be  
23 paid for renewable energy credits, where applicable, and  
24 requirements applicable to participating entities and  
25 project applications, through the development, review, and  
26 approval of the Agency's long-term renewable resources

1 procurement plan described in this subsection (c) and  
2 paragraph (5) of subsection (b) of Section 16-111.5 of the  
3 Public Utilities Act. Terms, conditions, and requirements  
4 for program participation shall include the following:

5 (i) The Agency shall establish a registration  
6 process for entities seeking to qualify for  
7 program-administered incentive funding and establish  
8 baseline qualifications for vendor approval. The  
9 Agency must maintain a list of approved entities on  
10 each program's website, and may revoke a vendor's  
11 ability to receive program-administered incentive  
12 funding status upon a determination that the vendor  
13 failed to comply with contract terms, the law, or  
14 other program requirements.

15 (ii) The Agency shall establish program  
16 requirements and minimum contract terms to ensure  
17 projects are properly installed and produce their  
18 expected amounts of energy. Program requirements may  
19 include on-site inspections and photo documentation of  
20 projects under construction. The Agency may require  
21 repairs, alterations, or additions to remedy any  
22 material deficiencies discovered. Vendors who have a  
23 disproportionately high number of deficient systems  
24 may lose their eligibility to continue to receive  
25 State-administered incentive funding through Agency  
26 programs and procurements.

1           (iii) To discourage deceptive marketing or other  
2 bad faith business practices, the Agency may require  
3 direct program participants, including agents  
4 operating on their behalf, to provide standardized  
5 disclosures to a customer prior to that customer's  
6 execution of a contract for the development of a  
7 distributed generation system or a subscription to a  
8 community solar project.

9           (iv) The Agency shall establish one or multiple  
10 Consumer Complaints Centers to accept complaints  
11 regarding businesses that participate in, or otherwise  
12 benefit from, State-administered incentive funding  
13 through Agency-administered programs. The Agency shall  
14 maintain a public database of complaints with any  
15 confidential or particularly sensitive information  
16 redacted from public entries.

17           (v) Through a filing in the proceeding for the  
18 approval of its long-term renewable energy resources  
19 procurement plan, the Agency shall provide an annual  
20 written report to the Illinois Commerce Commission  
21 documenting the frequency and nature of complaints and  
22 any enforcement actions taken in response to those  
23 complaints.

24           (vi) The Agency shall schedule regular meetings  
25 with representatives of the Office of the Attorney  
26 General, the Illinois Commerce Commission, consumer

1 protection groups, and other interested stakeholders  
2 to share relevant information about consumer  
3 protection, project compliance, and complaints  
4 received.

5 (vii) To the extent that complaints received  
6 implicate the jurisdiction of the Office of the  
7 Attorney General, the Illinois Commerce Commission, or  
8 local, State, or federal law enforcement, the Agency  
9 shall also refer complaints to those entities as  
10 appropriate.

11 (N) The Agency shall establish the terms, conditions,  
12 and program requirements for photovoltaic community  
13 renewable generation projects with a goal to expand access  
14 to a broader group of energy consumers, to ensure robust  
15 participation opportunities for residential and small  
16 commercial customers and those who cannot install  
17 renewable energy on their own properties. Subject to  
18 reasonable limitations, any plan approved by the  
19 Commission shall allow subscriptions to community  
20 renewable generation projects to be portable and  
21 transferable. For purposes of this subparagraph (N),  
22 "portable" means that subscriptions may be retained by the  
23 subscriber even if the subscriber relocates or changes its  
24 address within the same utility service territory; and  
25 "transferable" means that a subscriber may assign or sell  
26 subscriptions to another person within the same utility

1 service territory.

2 Through the development of its long-term renewable  
3 resources procurement plan, the Agency may consider  
4 whether community renewable generation projects utilizing  
5 technologies other than photovoltaics should be supported  
6 through State-administered incentive funding, and may  
7 issue requests for information to gauge market demand.

8 Electric utilities shall provide a monetary credit to  
9 a subscriber's subsequent bill for service for the  
10 proportional output of a community renewable generation  
11 project attributable to that subscriber as specified in  
12 Section 16-107.5 of the Public Utilities Act.

13 The Agency shall purchase renewable energy credits  
14 from subscribed shares of photovoltaic community renewable  
15 generation projects through the Adjustable Block program  
16 described in subparagraph (K) of this paragraph (1) or  
17 through the Illinois Solar for All Program described in  
18 Section 1-56 of this Act. The electric utility shall  
19 purchase any unsubscribed energy from community renewable  
20 generation projects that are Qualifying Facilities ("QF")  
21 under the electric utility's tariff for purchasing the  
22 output from QFs under Public Utilities Regulatory Policies  
23 Act of 1978.

24 The owners of and any subscribers to a community  
25 renewable generation project shall not be considered  
26 public utilities or alternative retail electricity

1 suppliers under the Public Utilities Act solely as a  
2 result of their interest in or subscription to a community  
3 renewable generation project and shall not be required to  
4 become an alternative retail electric supplier by  
5 participating in a community renewable generation project  
6 with a public utility.

7 (O) For the delivery year beginning June 1, 2018, the  
8 long-term renewable resources procurement plan required by  
9 this subsection (c) shall provide for the Agency to  
10 procure contracts to continue offering the Illinois Solar  
11 for All Program described in subsection (b) of Section  
12 1-56 of this Act, and the contracts approved by the  
13 Commission shall be executed by the utilities that are  
14 subject to this subsection (c). The long-term renewable  
15 resources procurement plan shall allocate up to  
16 \$50,000,000 per delivery year to fund the programs, and  
17 the plan shall determine the amount of funding to be  
18 apportioned to the programs identified in subsection (b)  
19 of Section 1-56 of this Act; provided that for the  
20 delivery years beginning June 1, 2021, June 1, 2022, and  
21 June 1, 2023, the long-term renewable resources  
22 procurement plan may average the annual budgets over a  
23 3-year period to account for program ramp-up. For the  
24 delivery years beginning June 1, 2021, June 1, 2024, June  
25 1, 2027, and June 1, 2030 and additional \$10,000,000 shall  
26 be provided to the Department of Commerce and Economic

1 Opportunity to implement the workforce development  
2 programs and reporting as outlined in Section 16-108.12 of  
3 the Public Utilities Act. In making the determinations  
4 required under this subparagraph (O), the Commission shall  
5 consider the experience and performance under the programs  
6 and any evaluation reports. The Commission shall also  
7 provide for an independent evaluation of those programs on  
8 a periodic basis that are funded under this subparagraph  
9 (O).

10 (P) All programs and procurements under this  
11 subsection (c) shall be designed to encourage  
12 participating projects to use a diverse and equitable  
13 workforce and a diverse set of contractors, including  
14 minority-owned businesses, disadvantaged businesses,  
15 trade unions, graduates of any workforce training programs  
16 administered under this Act, and small businesses.

17 The Agency shall develop a method to optimize  
18 procurement of renewable energy credits from proposed  
19 utility-scale projects that are located in communities  
20 eligible to receive Energy Transition Community Grants  
21 pursuant to Section 10-20 of the Energy Community  
22 Reinvestment Act. If this requirement conflicts with other  
23 provisions of law or the Agency determines that full  
24 compliance with the requirements of this subparagraph (P)  
25 would be unreasonably costly or administratively  
26 impractical, the Agency is to propose alternative

1 approaches to achieve development of renewable energy  
2 resources in communities eligible to receive Energy  
3 Transition Community Grants pursuant to Section 10-20 of  
4 the Energy Community Reinvestment Act or seek an exemption  
5 from this requirement from the Commission.

6 (Q) Each facility listed in subitems (i) through (ix)  
7 of item (1) of this subparagraph (Q) for which a renewable  
8 energy credit delivery contract is signed after the  
9 effective date of this amendatory Act of the 102nd General  
10 Assembly is subject to the following requirements through  
11 the Agency's long-term renewable resources procurement  
12 plan:

13 (1) Each facility shall be subject to the  
14 prevailing wage requirements included in the  
15 Prevailing Wage Act. The Agency shall require  
16 verification that all construction performed on the  
17 facility by the renewable energy credit delivery  
18 contract holder, its contractors, or its  
19 subcontractors relating to construction of the  
20 facility is performed by construction employees  
21 receiving an amount for that work equal to or greater  
22 than the general prevailing rate, as that term is  
23 defined in Section 3 of the Prevailing Wage Act. For  
24 purposes of this item (1), "house of worship" means  
25 property that is both (1) used exclusively by a  
26 religious society or body of persons as a place for

1 religious exercise or religious worship and (2)  
2 recognized as exempt from taxation pursuant to Section  
3 15-40 of the Property Tax Code. This item (1) shall  
4 apply to any the following:

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

6 (ii) all new utility-scale photovoltaic  
7 projects;

8 (iii) all new brownfield photovoltaic  
9 projects;

10 (iv) all new photovoltaic community renewable  
11 energy facilities that qualify for item (iii) of  
12 subparagraph (K) of this paragraph (1);

13 (v) all new community driven community  
14 photovoltaic projects that qualify for item (v) of  
15 subparagraph (K) of this paragraph (1);

16 (vi) all new photovoltaic projects on public  
17 school land that qualify for item (iv) of  
18 subparagraph (K) of this paragraph (1);

19 (vii) all new photovoltaic distributed  
20 renewable energy generation devices that (1)  
21 qualify for item (i) of subparagraph (K) of this  
22 paragraph (1); (2) are not projects that serve  
23 single-family or multi-family residential  
24 buildings; and (3) are not houses of worship where  
25 the aggregate capacity including collocated  
26 projects would not exceed 100 kilowatts;

1           (viii) all new photovoltaic distributed  
2 renewable energy generation devices that (1)  
3 qualify for item (ii) of subparagraph (K) of this  
4 paragraph (1); (2) are not projects that serve  
5 single-family or multi-family residential  
6 buildings; and (3) are not houses of worship where  
7 the aggregate capacity including collocated  
8 projects would not exceed 100 kilowatts;

9           (ix) all new, modernized, or retooled  
10 hydropower facilities.

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

1 plant and the individuals representing the labor  
2 organization employees participating in the project  
3 labor agreement consistent with the Project Labor  
4 Agreements Act. The agreement must also specify the  
5 terms and conditions as defined by this Act.

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

24 (R) In its long-term renewable resources procurement  
25 plan, the Agency shall establish a self-direct renewable  
26 portfolio standard compliance program for eligible

1 self-direct customers that purchase renewable energy  
2 credits from utility-scale wind and solar projects through  
3 long-term agreements for purchase of renewable energy  
4 credits as described in this Section. Such long-term  
5 agreements may include the purchase of energy or other  
6 products on a physical or financial basis and may involve  
7 an alternative retail electric supplier as defined in  
8 Section 16-102 of the Public Utilities Act. This program  
9 shall take effect in the delivery year commencing June 1,  
10 2023.

11 (1) For the purposes of this subparagraph:

12 "Eligible self-direct customer" means any retail  
13 customers of an electric utility that serves 3,000,000  
14 or more retail customers in the State and whose total  
15 highest 30-minute demand was more than 10,000  
16 kilowatts, or any retail customers of an electric  
17 utility that serves less than 3,000,000 retail  
18 customers but more than 500,000 retail customers in  
19 the State and whose total highest 15-minute demand was  
20 more than 10,000 kilowatts.

21 "Retail customer" has the meaning set forth in  
22 Section 16-102 of the Public Utilities Act and  
23 multiple retail customer accounts under the same  
24 corporate parent may aggregate their account demands  
25 to meet the 10,000 kilowatt threshold. The criteria  
26 for determining whether this subparagraph is

1 applicable to a retail customer shall be based on the  
2 12 consecutive billing periods prior to the start of  
3 the year in which the application is filed.

4 (2) For renewable energy credits to count toward  
5 the self-direct renewable portfolio standard  
6 compliance program, they must:

7 (i) qualify as renewable energy credits as  
8 defined in Section 1-10 of this Act;

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

20 (iii) be procured through long-term contracts  
21 with term lengths of at least 10 years either  
22 directly with the renewable energy generating  
23 facility or through a bundled power purchase  
24 agreement, a virtual power purchase agreement, an  
25 agreement between the renewable generating  
26 facility, an alternative retail electric supplier,

1 and the customer, or such other structure as is  
2 permissible under this subparagraph (R);

3 (iv) be equivalent in volume to at least 40%  
4 of the eligible self-direct customer's usage,  
5 determined annually by the eligible self-direct  
6 customer's usage during the previous delivery  
7 year, measured to the nearest megawatt-hour;

8 (v) be retired by or on behalf of the large  
9 energy customer;

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

12 (vii) if the contracts for renewable energy  
13 credits are entered into after the effective date  
14 of this amendatory Act of the 102nd General  
15 Assembly, the new utility-scale wind projects or  
16 new utility-scale solar projects must comply with  
17 the requirements established in subparagraphs (P)  
18 and (Q) of paragraph (1) of this subsection (c)  
19 and subsection (c-10).

20 (3) The self-direct renewable portfolio standard  
21 compliance program shall be designed to allow eligible  
22 self-direct customers to procure new renewable energy  
23 credits from new utility-scale wind projects or new  
24 utility-scale photovoltaic projects. ~~The Agency shall~~  
25 ~~annually determine the amount of utility-scale~~  
26 ~~renewable energy credits it will include each year~~

1 ~~from the self-direct renewable portfolio standard~~  
2 ~~compliance program, subject to receiving qualifying~~  
3 ~~applications. In making this determination, the Agency~~  
4 ~~shall evaluate publicly available analyses and studies~~  
5 ~~of the potential market size for utility scale~~  
6 ~~renewable energy long term purchase agreements by~~  
7 ~~commercial and industrial energy customers and make~~  
8 ~~that report publicly available. If demand for~~  
9 ~~participation in the self-direct renewable portfolio~~  
10 ~~standard compliance program exceeds availability, the~~  
11 ~~Agency shall ensure participation is evenly split~~  
12 ~~between commercial and industrial users to the extent~~  
13 ~~there is sufficient demand from both customer classes.~~  
14 Each renewable energy credit procured pursuant to this  
15 subparagraph (R) by a self-direct customer shall  
16 reduce the total volume of renewable energy credits  
17 the Agency is otherwise required to procure from new  
18 utility-scale projects pursuant to subparagraph (C) of  
19 paragraph (1) of this subsection (c) on behalf of  
20 contracting utilities where the eligible self-direct  
21 customer is located. The self-direct customer shall  
22 file an annual compliance report with the Agency  
23 pursuant to terms established by the Agency through  
24 its long-term renewable resources procurement plan to  
25 be eligible for participation in this program.  
26 Customers must provide the Agency with their most

1 recent electricity billing statements or other  
2 information deemed necessary by the Agency to  
3 demonstrate they are an eligible self-direct customer.

4 (4) The Commission shall approve a reduction in  
5 the volumetric charges collected pursuant to Section  
6 16-108 of the Public Utilities Act for approved  
7 eligible self-direct customers equivalent to the  
8 anticipated cost of renewable energy credit deliveries  
9 under contracts for new utility-scale wind and new  
10 utility-scale solar entered for each delivery year  
11 ~~after~~ the large energy customer retires ~~begins~~  
12 ~~retiring~~ eligible new utility-scale ~~utility-scale~~  
13 renewable energy credits ~~for self-compliance~~. The  
14 self-direct credit amount for each renewable energy  
15 credit supplied shall be determined annually and is  
16 equal to the volumetric charge collected pursuant to  
17 Section 16-108 of the Public Utilities Act as  
18 calculated under ~~estimated portion of the cost~~  
19 ~~authorized by~~ subparagraph (E) of paragraph (1) of  
20 this subsection (c) to support ~~that supported~~ the  
21 annual procurement of utility-scale renewable energy  
22 credits ~~in the prior delivery year~~ using a methodology  
23 described in the long-term renewable resources  
24 procurement plan, expressed on a per kilowatthour  
25 basis, and does not include ~~(i) costs associated with~~  
26 ~~any contracts entered into before the delivery year in~~

1 ~~which the customer files the initial compliance report~~  
2 ~~to be eligible for participation in the self-direct~~  
3 ~~program, and (ii) costs associated with procuring~~  
4 renewable energy credits through existing and future  
5 contracts through the Adjustable Block Program,  
6 subsection (c-5) of this Section 1-75, and the Solar  
7 for All Program. The Agency shall assist the  
8 Commission in determining the current and future  
9 costs. The Agency must determine the self-direct  
10 credit amount for new and existing eligible  
11 self-direct customers and submit this to the  
12 Commission in an annual compliance filing. The  
13 Commission must approve the self-direct credit amount  
14 by June 1, 2023 and June 1 of each delivery year  
15 thereafter. The approved self-direct credit amount  
16 shall be multiplied by each renewable energy credit  
17 procured by participating self-direct customers for up  
18 to 100% of the self-direct customer's annual  
19 consumption to form the self-direct customer's utility  
20 bill credit amount. The self-direct customer's utility  
21 bill credit amount shall consist of a credit towards  
22 the utility-scale renewable energy portion of the  
23 volumetric charge and shall not include a credit  
24 towards the portion of the volumetric charge  
25 associated with procuring renewable energy credits  
26 through existing and future contracts through the

1           Adjustable Block Program, subsection (c-5) of this  
2           Section 1-75, and the Solar for All Program.

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

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

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

26                 (iii) certification that the contract or

1 contracts for new renewable energy resources are  
2 long-term contracts with term lengths of at least  
3 10 years, including supporting documentation;

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

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

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

16 (6) If a customer receives the self-direct credit  
17 but fails to properly procure and retire renewable  
18 energy credits as required under this subparagraph  
19 (R), the Commission, on petition from the Agency and  
20 after notice and hearing, may direct such customer's  
21 utility to recover the cost of the wrongfully received  
22 self-direct credits plus interest through an adder to  
23 charges assessed pursuant to Section 16-108 of the  
24 Public Utilities Act. Self-direct customers who  
25 knowingly fail to properly procure and retire  
26 renewable energy credits and do not notify the Agency

1           are ineligible for continued participation in the  
2           self-direct renewable portfolio standard compliance  
3           program.

4           (2) (Blank).

5           (3) (Blank).

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

8           (5) Beginning with the 2010 delivery year and ending  
9           June 1, 2017, an electric utility subject to this  
10          subsection (c) shall apply the lesser of the maximum  
11          alternative compliance payment rate or the most recent  
12          estimated alternative compliance payment rate for its  
13          service territory for the corresponding compliance period,  
14          established pursuant to subsection (d) of Section 16-115D  
15          of the Public Utilities Act to its retail customers that  
16          take service pursuant to the electric utility's hourly  
17          pricing tariff or tariffs. The electric utility shall  
18          retain all amounts collected as a result of the  
19          application of the alternative compliance payment rate or  
20          rates to such customers, and, beginning in 2011, the  
21          utility shall include in the information provided under  
22          item (1) of subsection (d) of Section 16-111.5 of the  
23          Public Utilities Act the amounts collected under the  
24          alternative compliance payment rate or rates for the prior  
25          year ending May 31. Notwithstanding any limitation on the  
26          procurement of renewable energy resources imposed by item

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

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

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

25 In meeting the renewable energy requirements of this  
26 subsection (c), to the extent feasible and consistent with

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

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

13 (1) In addition to the procurement of renewable energy  
14 credits pursuant to long-term renewable resources  
15 procurement plans in accordance with subsection (c) of  
16 this Section and Section 16-111.5 of the Public Utilities  
17 Act, the Agency shall conduct procurement events in  
18 accordance with this subsection (c-5) for 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 renewable energy facilities to be  
22 installed at or adjacent to the sites of electric  
23 generating facilities that, as of January 1, 2016, burned  
24 coal as their primary fuel source and meet the other  
25 criteria specified in this subsection (c-5). For purposes  
26 of this subsection (c-5), "new renewable energy facility"

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

21 (2) The Agency shall conduct 2 procurement events to  
22 select owners of electric generating facilities meeting  
23 the eligibility criteria specified in this subsection  
24 (c-5) to enter into long-term contracts to sell renewable  
25 energy credits to electric utilities serving more than  
26 300,000 retail customers in this State as of January 1,

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

21                 (A) The applicant owns an electric generating  
22                 facility located in this State that: (i) as of January  
23                 1, 2016, burned coal as its primary fuel to generate  
24                 electricity; and (ii) has, or had prior to retirement,  
25                 an electric generating capacity of at least 150  
26                 megawatts. The electric generating facility can be

1           either: (i) retired as of the date of the procurement  
2           event; or (ii) still operating as of the date of the  
3           procurement event.

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

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

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

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

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

1 performing the employee's particular work skill or  
2 function.

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

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

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

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

23           (3) An applicant may submit applications to contract  
24           to supply renewable energy credits from more than one new  
25           renewable energy facility to be constructed at or adjacent  
26           to one or more qualifying electric generating facilities

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

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

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

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

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

1 enter into a contract with each electric utility for the  
2 sale and purchase of renewable energy credits from each  
3 new renewable energy facility to be constructed and  
4 operated by the applicant, with the sale and purchase  
5 obligations under the contracts to aggregate to the total  
6 number of renewable energy credits per year to be supplied  
7 by the applicant from the new renewable energy facility.

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

22 (8) The Agency, in conjunction with its procurement  
23 administrator if one is retained, the electric utilities,  
24 and potential applicants for contracts to produce and  
25 supply renewable energy credits pursuant to this  
26 subsection (c-5), shall develop a standard form contract

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

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

13 (9) Coal to Solar and Energy Storage Initiative  
14 Charge.

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

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

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

1 by the Department for grant payments pursuant to grant  
2 contracts entered into by the Department pursuant to  
3 paragraph (10) of this subsection (c-5).

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

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

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

1           this State or in having any such funds utilized for any  
2           purpose other than the express purposes set forth in  
3           this paragraph (10).

4           (C)    The Department shall utilize up to  
5           \$280,500,000 in the Coal to Solar and Energy Storage  
6           Initiative Fund for grants, assuming sufficient  
7           qualifying applicants, to support installation of  
8           energy storage facilities at the sites of up to 3  
9           qualifying electric generating facilities located in  
10          the Midcontinent Independent System Operator, Inc.,  
11          region in Illinois and the sites of up to 2 qualifying  
12          electric generating facilities located in the PJM  
13          Interconnection, LLC region in Illinois that meet the  
14          criteria set forth in this subparagraph (C). The  
15          criteria for receipt of a grant pursuant to this  
16          subparagraph (C) are as follows:

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

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

23                 (3) if the electric generating facility is  
24                 retired, it was retired subsequent to January 1,  
25                 2016;

26                 (4) the owner of the electric generating

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

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

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

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

23 (8) the owner commits to place the energy  
24 storage facility into commercial operation on  
25 either June 1, 2023, June 1, 2024, or June 1, 2025,  
26 with such date subject to adjustment as needed due

1 to any delays in completing the grant contracting  
2 process, in finalizing interconnection agreements  
3 and in installing interconnection facilities, and  
4 in obtaining necessary governmental permits and  
5 approvals;

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

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

26 (11) the owner commits that not less than the

1 prevailing wage, as determined pursuant to the  
2 Prevailing Wage Act, will be paid to the owner's  
3 employees engaged in construction activities  
4 associated with the new energy storage facility  
5 and to the employees of the owner's contractors  
6 engaged in construction activities associated with  
7 the new energy storage facility, and that, on or  
8 before the commercial operation date of the new  
9 energy storage facility, the owner shall file a  
10 report with the Department certifying that the  
11 requirements of this subparagraph (11) have been  
12 met; and

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

24 The Department shall accept applications for this  
25 grant program until March 31, 2022 and shall announce  
26 the award of grants no later than June 1, 2022. The

1 Department shall make the grant payments to a  
2 recipient in equal annual amounts for 10 years  
3 following the date the energy storage facility is  
4 placed into commercial operation. The annual grant  
5 payments to a qualifying energy storage facility shall  
6 be \$110,000 per megawatt of energy storage capacity,  
7 with total annual grant payments pursuant to this  
8 subparagraph (C) for qualifying energy storage  
9 facilities not to exceed \$28,050,000 in any year.

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

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

1 released from liability for all payments made on those  
2 warrants.

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

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

24 (B) For purposes of this paragraph (11), diversity  
25 composition shall be based on the percentage, which  
26 shall be a minimum of 25%, of eligible expenditures

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

23 (C) The plan shall provide for, but not be limited  
24 to: (i) internal initiatives, including multi-tier  
25 initiatives, by the applicant or owner, or by its  
26 engineering, procurement and construction contractor

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

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

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

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

10 (1) Minimum equity standards. The Agency shall create  
11 programs with the purpose of increasing access to and  
12 development of equity eligible contractors, who are prime  
13 contractors and subcontractors, across all of the programs  
14 it manages. All applications for renewable energy credit  
15 procurements shall comply with specific minimum equity  
16 commitments. Starting in the delivery year immediately  
17 following the next long-term renewable resources  
18 procurement plan, at least 10% of the project workforce  
19 for each entity participating in a procurement program  
20 outlined in this subsection (c-10) must be done by equity  
21 eligible persons or equity eligible contractors. The  
22 Agency shall increase the minimum percentage each delivery  
23 year thereafter by increments that ensure a statewide  
24 average of 30% of the project workforce for each entity  
25 participating in a procurement program is done by equity  
26 eligible persons or equity eligible contractors by 2030.

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

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

1 application.

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

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

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

1 procurement programs upon an approved vendor or  
2 designee demonstrating compliance.

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

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

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

1 procurements shall also be required to meet all the equity  
2 accountability requirements for approved vendors and their  
3 designees under this subsection (c-10). In developing  
4 these requirements, the Agency shall also consider whether  
5 equity goals can be further advanced through additional  
6 measures.

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

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

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

21 (C) A program for approved vendors, designees,  
22 eligible persons, and equity eligible contractors to  
23 receive trainings, guidance, and other support from  
24 the Agency or its designee regarding the equity  
25 category outlined in item (vi) of subparagraph (K) of  
26 paragraph (1) of subsection (c) and in meeting the

1 minimum equity standards of this subsection (c-10).

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

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

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

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

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

21           (7) Modifications to the equity accountability system.  
22           As part of the update of the long-term renewable resources  
23           procurement plan to be initiated in 2023, or sooner if the  
24           Agency deems necessary, the Agency shall determine the  
25           extent to which the equity accountability system described  
26           in this subsection (c-10) has advanced the goals of this

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

23          (c-15) Racial discrimination elimination powers and  
24          process.

25                 (1) Purpose. It is the purpose of this subsection to  
26                 empower the Agency and other State actors to remedy racial

1 discrimination in Illinois' clean energy economy as  
2 effectively and expediently as possible, including through  
3 the use of race-conscious remedies, such as race-conscious  
4 contracting and hiring goals, as consistent with State and  
5 federal law.

6 (2) Racial disparity and discrimination review  
7 process.

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

19 (B) As soon as is practicable thereafter, the  
20 Agency, in consultation with the Department of  
21 Commerce and Economic Opportunity, Department of  
22 Labor, and other agencies that may be relevant, shall  
23 commission and publish a disparity and availability  
24 study that measures the presence and impact of  
25 discrimination on minority businesses and workers in  
26 Illinois' clean energy economy. The Agency may hire

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

20 (c-20) Program data collection.

21 (1) Purpose. Data collection, data analysis, and  
22 reporting are critical to ensure that the benefits of the  
23 clean energy economy provided to Illinois residents and  
24 businesses are equitably distributed across the State. The  
25 Agency shall collect data from program applicants in order  
26 to track and improve equitable distribution of benefits

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

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

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

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

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

24 (C) any other information the Agency determines is  
25 necessary for the purpose of achieving the purpose of  
26 this subsection.

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

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

9           (c-25) Energy Workforce Equity Database.

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

20                   (A) publicly accessible;

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

22                   (C) organized by company specialty or field;

23                   (D) region-specific; and

24                   (E) populated with information including, but not  
25 limited to, contacts for suppliers, vendors, or  
26 subcontractors who are minority and women-owned

1 business enterprise certified or who participate or  
2 have participated in any of the programs described in  
3 this Act.

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

7 (A) a map of environmental justice and equity  
8 investment eligible communities;

9 (B) job postings and recruiting opportunities;

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

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

17 (E) renewable energy company diversity reporting;

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

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

26 (H) information about the Jobs and Environmental

1 Justice Grant Program, the Clean Energy Jobs and  
2 Justice Fund, and other sources of capital.

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

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

1 (d) Clean coal portfolio standard.

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

26 A utility party to a sourcing agreement shall

1 immediately retire any emission credits that it receives  
2 in connection with the electricity covered by such  
3 agreement.

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

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

14 (2) For purposes of this subsection (d), the required  
15 execution of sourcing agreements with the initial clean  
16 coal facility for a particular year shall be measured as a  
17 percentage of the actual amount of electricity  
18 (megawatt-hours) supplied by the electric utility to  
19 eligible retail customers in the planning year ending  
20 immediately prior to the agreement's execution. For  
21 purposes of this subsection (d), the amount paid per  
22 kilowatthour means the total amount paid for electric  
23 service expressed on a per kilowatthour basis. For  
24 purposes of this subsection (d), the total amount paid for  
25 electric service includes without limitation amounts paid  
26 for supply, transmission, distribution, surcharges and

1 add-on taxes.

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

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

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

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

23 (D) in 2013, the greater of an additional 0.5% of  
24 the amount paid per kilowatthour by those customers  
25 during the year ending May 31, 2012 or 2% of the amount  
26 paid per kilowatthour by those customers during the

1 year ending May 31, 2009; and

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

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

23 (3) Initial clean coal facility. In order to promote  
24 development of clean coal facilities in Illinois, each  
25 electric utility subject to this Section shall execute a  
26 sourcing agreement to source electricity from a proposed

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

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

22 (i) be determined using a cost of service  
23 methodology employing either a level or deferred  
24 capital recovery component, based on a capital  
25 structure consisting of 45% equity and 55% debt,  
26 and a return on equity as may be approved by the

1 Federal Energy Regulatory Commission, which in any  
2 case may not exceed the lower of 11.5% or the rate  
3 of return approved by the General Assembly  
4 pursuant to paragraph (4) of this subsection (d);  
5 and

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

22 (B) power purchase provisions, which shall:

23 (i) provide that the utility party to such  
24 sourcing agreement shall pay the contract price  
25 for electricity delivered under such sourcing  
26 agreement;

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

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

25           (iv) be considered pre-existing contracts in  
26 such utility's procurement plans for eligible

1 retail customers;

2 (C) contract for differences provisions, which  
3 shall:

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

26 (ii) provide that the utility's payment

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

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

21 (D) general provisions, which shall:

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

25 (ii) provide that utilities shall maintain  
26 adequate records documenting purchases under the

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

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

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

20 (v) require the owner of the initial clean  
21 coal facility to provide documentation to the  
22 Commission each year, starting in the facility's  
23 first year of commercial operation, accurately  
24 reporting the quantity of carbon emissions from  
25 the facility that have been captured and  
26 sequestered and report any quantities of carbon

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

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

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

24 (vii) require Commission review: (1) to  
25 determine the justness, reasonableness, and  
26 prudence of the inputs to the formula referenced

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

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

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

26 (x) provide that the owner or owners of the

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

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

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

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

23 (4) Effective date of sourcing agreements with the  
24 initial clean coal facility. Any proposed sourcing  
25 agreement with the initial clean coal facility shall not  
26 become effective unless the following reports are prepared

1 and submitted and authorizations and approvals obtained:

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

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

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

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

22 (iv) Commission review. If the General Assembly  
23 enacts authorizing legislation pursuant to  
24 subparagraph (iii) approving a sourcing agreement, the  
25 Commission shall, within 90 days of such enactment,  
26 complete a review of such sourcing agreement. During

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

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

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

23 (ii) an estimate of the capital cost of the  
24 balance of the plant, including any capital costs  
25 associated with sequestration of carbon dioxide  
26 emissions and all interconnects and interfaces

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

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

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

22 (C) The facility cost report shall also include an  
23 operating and maintenance cost quote that will provide  
24 the estimated cost of delivered fuel, personnel,  
25 maintenance contracts, chemicals, catalysts,  
26 consumables, spares, and other fixed and variable

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

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

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

26 (E) Amounts paid to third parties unrelated to the

1 owner or owners of the initial clean coal facility to  
2 prepare the core plant construction cost quote,  
3 including the front end engineering and design study,  
4 and the operating and maintenance cost quote will be  
5 reimbursed through Coal Development Bonds.

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

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

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

15 (d-5) Zero emission standard.

16 (1) Beginning with the delivery year commencing on  
17 June 1, 2017, the Agency shall, for electric utilities  
18 that serve at least 100,000 retail customers in this  
19 State, procure contracts with zero emission facilities  
20 that are reasonably capable of generating cost-effective  
21 zero emission credits in an amount approximately equal to  
22 16% of the actual amount of electricity delivered by each  
23 electric utility to retail customers in the State during  
24 calendar year 2014. For an electric utility serving fewer  
25 than 100,000 retail customers in this State that  
26 requested, under Section 16-111.5 of the Public Utilities

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

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

23 The procurement process shall be subject to the  
24 following provisions:

25 (A) Those zero emission facilities that intend to  
26 participate in the procurement shall submit to the

1 Agency the following eligibility information for each  
2 zero emission facility on or before the date  
3 established by the Agency:

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

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

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

1 of the zero emission facility; and

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

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

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

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

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

22 (ii) Baseline market price index: The baseline  
23 market price index for the consecutive 12-month  
24 period ending May 31, 2016 is \$31.40 per  
25 megawatthour, which is based on the sum of (aa)  
26 the average day-ahead energy price across all

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

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

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

1 forward market price calculation shall use  
2 data published by the Intercontinental  
3 Exchange, or its successor.

4 (bb) Projected capacity prices:

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

23 (II) For the delivery year commencing  
24 June 1, 2020, and each year thereafter,  
25 the projected capacity price shall be  
26 equal to the sum of (1) 50% multiplied by

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

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

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

18 "RTO" means regional transmission  
19 organization.

20 (C) No later than 45 days after June 1, 2017 (the  
21 effective date of Public Act 99-906), the Agency shall  
22 publish its proposed zero emission standard  
23 procurement plan. The plan shall be consistent with  
24 the provisions of this paragraph (1) and shall provide  
25 that winning bids shall be selected based on public  
26 interest criteria that include, but are not limited

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

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

25 Upon publishing of the zero emission standard  
26 procurement plan, copies of the plan shall be posted

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

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

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

25 (i) identify how the winning bids satisfy the  
26 public interest criteria described in subparagraph

1 (C) of this paragraph (1) of minimizing carbon  
2 dioxide emissions that result from electricity  
3 consumed in Illinois and minimizing sulfur  
4 dioxide, nitrogen oxide, and particulate matter  
5 emissions that adversely affect the citizens of  
6 this State;

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

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

20 (aa) the value of avoided greenhouse gas  
21 emissions measured as the product of the zero  
22 emission facilities' output over the contract  
23 term multiplied by the U.S. Environmental  
24 Protection Agency eGrid subregion carbon  
25 dioxide emission rate and the U.S. Interagency  
26 Working Group on Social Cost of Carbon's price

1 in the August 2016 Technical Update using a 3%  
2 discount rate, adjusted for inflation for each  
3 delivery year; and

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

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

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

1           Each utility shall enter into binding contractual  
2 arrangements with the winning suppliers.

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

21           (D) Following the procurement event described in  
22 this paragraph (1) and consistent with subparagraph  
23 (B) of this paragraph (1), the Agency shall calculate  
24 the payments to be made under each contract for the  
25 next delivery year based on the market price index for  
26 that delivery year. The Agency shall publish the

1 payment calculations no later than May 25, 2017 and  
2 every May 25 thereafter.

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

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

1 duration of the event, including, but not limited  
2 to, delivery of zero emission credits, and no  
3 payment shall be due to the zero emission facility  
4 during the duration of the event.

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

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

25 (iv) A zero emission facility shall be  
26 permitted to terminate the contract in the event

1           the Nuclear Regulatory Commission terminates the  
2           resource's license.

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

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

19          Notwithstanding the requirements of this subsection  
20          (d-5), the contracts executed under this subsection (d-5)  
21          shall provide that the total of zero emission credits  
22          procured under a procurement plan shall be subject to the  
23          limitations of this paragraph (2). For each delivery year,  
24          the contractual volume receiving payments in such year  
25          shall be reduced for all retail customers based on the  
26          amount necessary to limit the net increase that delivery

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

1 and in implementing this subsection (d-5) shall be  
2 recovered by the electric utility as provided in this  
3 Section.

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

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

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

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

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

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

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

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

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

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

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

19           (d-10) Nuclear Plant Assistance; carbon mitigation  
20 credits.

21           (1) The General Assembly finds:

22           (A) The health, welfare, and prosperity of all  
23 Illinois citizens require that the State of Illinois act  
24 to avoid and not increase carbon emissions from electric  
25 generation sources while continuing to ensure affordable,  
26 stable, and reliable electricity to all citizens.

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

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

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

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

23 (F) The Environmental Protection Agency commissioned  
24 an independent audit which provided a detailed assessment  
25 of the financial condition of the Illinois nuclear fleet  
26 to evaluate its financial viability and whether the

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

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

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

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

25 (2) As used in this subsection:

26 "Baseline costs" means costs used to establish a customer

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

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

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

21 (3) Procurement.

22 (A) Beginning with the delivery year commencing on  
23 June 1, 2022, the Agency shall, for electric utilities  
24 serving at least 3,000,000 retail customers in the State,  
25 seek to procure contracts for no more than approximately  
26 54,500,000 cost-effective carbon mitigation credits from

1 carbon-free energy resources because such credits are  
2 necessary to support current levels of carbon-free energy  
3 generation and ensure the State meets its carbon dioxide  
4 emissions reduction goals. The Agency shall not make a  
5 partial award of a contract for carbon mitigation credits  
6 covering a fractional amount of a carbon-free energy  
7 resource's projected output.

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

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

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

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

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

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

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

26 The information described in this subparagraph (B) may

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

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

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

25 (ii) Contracts for carbon mitigation credits shall  
26 commence with the delivery year beginning on June 1,

1           2022 and shall be for a term of 5 delivery years  
2           concluding on May 31, 2027.

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

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

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

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

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

1 carbon-free energy resources because they supply  
2 carbon mitigation credits pursuant to this Section  
3 at which time, upon notice by the carbon-free  
4 energy resource to the Commission and subject to  
5 the Commission's confirmation, the value under  
6 this subitem shall be zero, as further described  
7 in the carbon mitigation credit procurement plan;  
8 and

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

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

21 To protect retail customers from retail rate  
22 impacts that may arise upon the initiation of carbon  
23 policy changes, if the price-per-megawatt-hour  
24 calculation performed under item (iii) of this  
25 subparagraph (C) for a given delivery year results in  
26 a net negative value, then the supplier counterparty

1 to the contract shall multiply such net value by the  
2 applicable contract quantity and remit such amount to  
3 the electric utility counterparty. The electric  
4 utility shall reflect such amounts remitted by  
5 suppliers as a credit on its retail customer bills as  
6 soon as practicable.

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

14 The baseline costs for the applicable year shall  
15 be the following:

16 (I) For the delivery year beginning June 1,  
17 2022, the baseline costs shall be an amount equal  
18 to \$30.30 per megawatt-hour.

19 (II) For the delivery year beginning June 1,  
20 2023, the baseline costs shall be an amount equal  
21 to \$32.50 per megawatt-hour.

22 (III) For the delivery year beginning June 1,  
23 2024, the baseline costs shall be an amount equal  
24 to \$33.43 per megawatt-hour.

25 (IV) For the delivery year beginning June 1,  
26 2025, the baseline costs shall be an amount equal

1 to \$33.50 per megawatt-hour.

2 (V) For the delivery year beginning June 1,  
3 2026, the baseline costs shall be an amount equal  
4 to \$34.50 per megawatt-hour.

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

15 Although actual energy and capacity prices may  
16 vary from year-to-year, the General Assembly finds  
17 that this customer protection cap will help ensure  
18 that the cost of carbon mitigation credits will be  
19 less than its value, based upon the social cost of  
20 carbon identified in the Technical Support Document  
21 issued in February 2021 by the U.S. Interagency  
22 Working Group on Social Cost of Greenhouse Gases and  
23 the PJM Interconnection, LLC carbon dioxide marginal  
24 emission rate for 2020, and that a carbon-free energy  
25 resource receiving payment for carbon mitigation  
26 credits receives no more than necessary to keep those

1 units in operation.

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

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

16 (E) If the Commission determines that the plan is  
17 likely to result in the procurement of cost-effective  
18 carbon mitigation credits, then the Commission shall,  
19 after notice and hearing and opportunity for comment, but  
20 no later than 42 days after the Agency filed the plan,  
21 approve the plan or approve it with modification. For  
22 purposes of this subsection (d-10), "cost-effective" means  
23 carbon mitigation credits that are procured from  
24 carbon-free energy resources at prices that are within the  
25 limits specified in this paragraph (3). As part of the  
26 Commission's review and acceptance or rejection of the

1 procurement results, the Commission shall, in its public  
2 notice of successful bidders:

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

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

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

23 (I) an assessment value of avoided greenhouse  
24 gas emissions measured as the product of the  
25 carbon-free energy resources' output over the  
26 contract term, using generally accepted

1 methodologies for the valuation of avoided  
2 emissions; and

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

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

1 calculate the payments to be made under each contract in a  
2 timely fashion.

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

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

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

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

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

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

25 (g) The Agency shall assess fees to each affected utility  
26 to recover the costs incurred in preparation of the annual

1 procurement 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.)

20 Section 10. The Public Utilities Act is amended by  
21 changing Section 16-115D as follows:

22 (220 ILCS 5/16-115D)

23 Sec. 16-115D. Renewable portfolio standard for alternative  
24 retail electric suppliers and electric utilities operating

1 outside their service territories.

2 (a) An alternative retail electric supplier shall be  
3 responsible for procuring cost-effective renewable energy  
4 resources as required under item (5) of subsection (d) of  
5 Section 16-115 of this Act as outlined herein:

6 (1) The definition of renewable energy resources  
7 contained in Section 1-10 of the Illinois Power Agency Act  
8 applies to all renewable energy resources required to be  
9 procured by alternative retail electric suppliers.

10 (2) Through May 31, 2017, the quantity of renewable  
11 energy resources shall be measured as a percentage of the  
12 actual amount of metered electricity (megawatt-hours)  
13 delivered by the alternative retail electric supplier to  
14 Illinois retail customers during the 12-month period June  
15 1 through May 31, commencing June 1, 2009, and the  
16 comparable 12-month period in each year thereafter except  
17 as provided in item (6) of this subsection (a).

18 (3) Through May 31, 2017, the quantity of renewable  
19 energy resources shall be in amounts at least equal to the  
20 annual percentages set forth in item (1) of subsection (c)  
21 of Section 1-75 of the Illinois Power Agency Act. At least  
22 60% of the renewable energy resources procured pursuant to  
23 items (1) and (3) of subsection (b) of this Section shall  
24 come from wind generation and, starting June 1, 2015, at  
25 least 6% of the renewable energy resources procured  
26 pursuant to items (1) and (3) of subsection (b) of this

1 Section shall come from solar photovoltaics. If, in any  
2 given year, an alternative retail electric supplier does  
3 not purchase at least these levels of renewable energy  
4 resources, then the alternative retail electric supplier  
5 shall make alternative compliance payments, as described  
6 in subsection (d) of this Section.

7 (3.5) For the delivery year commencing June 1, 2017,  
8 the quantity of renewable energy resources shall be at  
9 least 13.0% of the uncovered amount of metered electricity  
10 (megawatt-hours) delivered by the alternative retail  
11 electric supplier to Illinois retail customers during the  
12 delivery year, which uncovered amount shall equal 50% of  
13 such metered electricity delivered by the alternative  
14 retail electric supplier. For the delivery year commencing  
15 June 1, 2018, the quantity of renewable energy resources  
16 shall be at least 14.5% of the uncovered amount of metered  
17 electricity (megawatt-hours) delivered by the alternative  
18 retail electric supplier to Illinois retail customers  
19 during the delivery year, which uncovered amount shall  
20 equal 25% of such metered electricity delivered by the  
21 alternative retail electric supplier. At least 32% of the  
22 renewable energy resources procured by the alternative  
23 retail electric supplier for its uncovered portion under  
24 this paragraph (3.5) shall come from wind or photovoltaic  
25 generation. The renewable energy resources procured under  
26 this paragraph (3.5) shall not include any resources from

1 a facility whose costs were being recovered through rates  
2 regulated by any state or states on or after January 1,  
3 2017.

4 (4) The quantity and source of renewable energy  
5 resources shall be independently verified through the PJM  
6 Environmental Information System Generation Attribute  
7 Tracking System (PJM-GATS) or the Midwest Renewable Energy  
8 Tracking System (M-RETS), which shall document the  
9 location of generation, resource type, month, and year of  
10 generation for all qualifying renewable energy resources  
11 that an alternative retail electric supplier uses to  
12 comply with this Section. No later than June 1, 2009, the  
13 Illinois Power Agency shall provide PJM-GATS, M-RETS, and  
14 alternative retail electric suppliers with all information  
15 necessary to identify resources located in Illinois,  
16 within states that adjoin Illinois or within portions of  
17 the PJM and MISO footprint in the United States that  
18 qualify under the definition of renewable energy resources  
19 in Section 1-10 of the Illinois Power Agency Act for  
20 compliance with this Section 16-115D. Alternative retail  
21 electric suppliers shall not be subject to the  
22 requirements in item (3) of subsection (c) of Section 1-75  
23 of the Illinois Power Agency Act.

24 (5) All renewable energy credits used to comply with  
25 this Section shall be permanently retired.

26 (6) The required procurement of renewable energy

1 resources by an alternative retail electric supplier shall  
2 apply to all metered electricity delivered to Illinois  
3 retail customers by the alternative retail electric  
4 supplier pursuant to contracts executed or extended after  
5 March 15, 2009.

6 (b) Compliance obligations.

7 (1) Through May 31, 2017, an alternative retail  
8 electric supplier shall comply with the renewable energy  
9 portfolio standards by making an alternative compliance  
10 payment, as described in subsection (d) of this Section,  
11 to cover at least one-half of the alternative retail  
12 electric supplier's compliance obligation for the period  
13 prior to June 1, 2017.

14 (2) For the delivery years beginning June 1, 2017 and  
15 June 1, 2018, an alternative retail electric supplier need  
16 not make any alternative compliance payment to meet any  
17 portion of its compliance obligation, as set forth in  
18 paragraph (3.5) of subsection (a) of this Section.

19 (3) An alternative retail electric supplier shall use  
20 any one or combination of the following means to cover the  
21 remainder of the alternative retail electric supplier's  
22 compliance obligation, as set forth in paragraphs (3) and  
23 (3.5) of subsection (a) of this Section, not covered by an  
24 alternative compliance payment made under paragraphs (1)  
25 and (2) of this subsection (b) of this Section:

26 (A) Generating electricity using renewable energy

1 resources identified pursuant to item (4) of  
2 subsection (a) of this Section.

3 (B) Purchasing electricity generated using  
4 renewable energy resources identified pursuant to item  
5 (4) of subsection (a) of this Section through an  
6 energy contract.

7 (C) Purchasing renewable energy credits from  
8 renewable energy resources identified pursuant to item  
9 (4) of subsection (a) of this Section.

10 (D) Making an alternative compliance payment as  
11 described in subsection (d) of this Section.

12 (c) Use of renewable energy credits.

13 (1) Renewable energy credits that are not used by an  
14 alternative retail electric supplier to comply with a  
15 renewable portfolio standard in a compliance year may be  
16 banked and carried forward up to 2 12-month compliance  
17 periods after the compliance period in which the credit  
18 was generated for the purpose of complying with a  
19 renewable portfolio standard in those 2 subsequent  
20 compliance periods. For the 2009-2010 and 2010-2011  
21 compliance periods, an alternative retail electric  
22 supplier may use renewable credits generated after  
23 December 31, 2008 and before June 1, 2009 to comply with  
24 this Section.

25 (2) An alternative retail electric supplier is  
26 responsible for demonstrating that a renewable energy

1 credit used to comply with a renewable portfolio standard  
2 is derived from a renewable energy resource and that the  
3 alternative retail electric supplier has not used, traded,  
4 sold, or otherwise transferred the credit.

5 (3) The same renewable energy credit may be used by an  
6 alternative retail electric supplier to comply with a  
7 federal renewable portfolio standard and a renewable  
8 portfolio standard established under this Act. An  
9 alternative retail electric supplier that uses a renewable  
10 energy credit to comply with a renewable portfolio  
11 standard imposed by any other state may not use the same  
12 credit to comply with a renewable portfolio standard  
13 established under this Act.

14 (d) Alternative compliance payments.

15 (1) The Commission shall establish and post on its  
16 website, within 5 business days after entering an order  
17 approving a procurement plan pursuant to Section 1-75 of  
18 the Illinois Power Agency Act, maximum alternative  
19 compliance payment rates, expressed on a per kilowatt-hour  
20 basis, that will be applicable in the first compliance  
21 period following the plan approval. A separate maximum  
22 alternative compliance payment rate shall be established  
23 for the service territory of each electric utility that is  
24 subject to subsection (c) of Section 1-75 of the Illinois  
25 Power Agency Act. Each maximum alternative compliance  
26 payment rate shall be equal to the maximum allowable

1 annual estimated average net increase due to the costs of  
2 the utility's purchase of renewable energy resources  
3 included in the amounts paid by eligible retail customers  
4 in connection with electric service, as described in item  
5 (2) of subsection (c) of Section 1-75 of the Illinois  
6 Power Agency Act for the compliance period, and as  
7 established in the approved procurement plan. Following  
8 each procurement event through which renewable energy  
9 resources are purchased for one or more of these utilities  
10 for the compliance period, the Commission shall establish  
11 and post on its website estimates of the alternative  
12 compliance payment rates, expressed on a per kilowatt-hour  
13 basis, that shall apply for that compliance period.  
14 Posting of the estimates shall occur no later than 10  
15 business days following the procurement event, however,  
16 the Commission shall not be required to establish and post  
17 such estimates more often than once per calendar month. By  
18 July 1 of each year, the Commission shall establish and  
19 post on its website the actual alternative compliance  
20 payment rates for the preceding compliance year. For  
21 compliance years beginning prior to June 1, 2014, each  
22 alternative compliance payment rate shall be equal to the  
23 total amount of dollars that the utility contracted to  
24 spend on renewable resources, excepting the additional  
25 incremental cost attributable to solar resources, for the  
26 compliance period divided by the forecasted load of

1 eligible retail customers, at the customers' meters, as  
2 previously established in the Commission-approved  
3 procurement plan for that compliance year. For compliance  
4 years commencing on or after June 1, 2014, each  
5 alternative compliance payment rate shall be equal to the  
6 total amount of dollars that the utility contracted to  
7 spend on all renewable resources for the compliance period  
8 divided by the forecasted load of retail customers for  
9 which the utility is procuring renewable energy resources  
10 in a given delivery year, at the customers' meters, as  
11 previously established in the Commission-approved  
12 procurement plan for that compliance year. The actual  
13 alternative compliance payment rates may not exceed the  
14 maximum alternative compliance payment rates established  
15 for the compliance period. For purposes of this subsection  
16 (d), the term "eligible retail customers" has the same  
17 meaning as found in Section 16-111.5 of this Act.

18 (2) In any given compliance year, an alternative  
19 retail electric supplier may elect to use alternative  
20 compliance payments to comply with all or a part of the  
21 applicable renewable portfolio standard. In the event that  
22 an alternative retail electric supplier elects to make  
23 alternative compliance payments to comply with all or a  
24 part of the applicable renewable portfolio standard, such  
25 payments shall be made by September 1, 2010 for the period  
26 of June 1, 2009 to May 1, 2010 and by September 1 of each

1 year thereafter for the subsequent compliance period, in  
2 the manner and form as determined by the Commission. Any  
3 election by an alternative retail electric supplier to use  
4 alternative compliance payments is subject to review by  
5 the Commission under subsection (e) of this Section.

6 (3) An alternative retail electric supplier's  
7 alternative compliance payments shall be computed  
8 separately for each electric utility's service territory  
9 within which the alternative retail electric supplier  
10 provided retail service during the compliance period,  
11 provided that the electric utility was subject to  
12 subsection (c) of Section 1-75 of the Illinois Power  
13 Agency Act. For each service territory, the alternative  
14 retail electric supplier's alternative compliance payment  
15 shall be equal to (i) the actual alternative compliance  
16 payment rate established in item (1) of this subsection  
17 (d), multiplied by (ii) the actual amount of metered  
18 electricity delivered by the alternative retail electric  
19 supplier to retail customers for which the supplier has a  
20 compliance obligation within the service territory during  
21 the compliance period, multiplied by (iii) the result of  
22 one minus the ratios of the quantity of renewable energy  
23 resources used by the alternative retail electric supplier  
24 to comply with the requirements of this Section within the  
25 service territory to the product of the percentage of  
26 renewable energy resources required under item (3) or

1 (3.5) of subsection (a) of this Section and the actual  
2 amount of metered electricity delivered by the alternative  
3 retail electrical supplier to retail customers for which  
4 the supplier has a compliance obligation within the  
5 service territory during the compliance period.

6 (4) Through May 31, 2017, all alternative compliance  
7 payments by alternative retail electric suppliers shall be  
8 deposited in the Illinois Power Agency Renewable Energy  
9 Resources Fund and used to purchase renewable energy  
10 credits, in accordance with Section 1-56 of the Illinois  
11 Power Agency Act. Beginning April 1, 2012 and by April 1 of  
12 each year thereafter, the Illinois Power Agency shall  
13 submit an annual report to the General Assembly, the  
14 Commission, and alternative retail electric suppliers that  
15 shall include, but not be limited to:

16 (A) the total amount of alternative compliance  
17 payments received in aggregate from alternative retail  
18 electric suppliers by planning year for all previous  
19 planning years in which the alternative compliance  
20 payment was in effect;

21 (B) the amount of those payments utilized to  
22 purchased renewable energy credits itemized by the  
23 date of each procurement in which the payments were  
24 utilized; and

25 (C) the unused and remaining balance in the Agency  
26 Renewable Energy Resources Fund attributable to those

1           payments.

2           (4.5) Beginning with the delivery year commencing June  
3           1, 2017, all alternative compliance payments by  
4           alternative retail electric suppliers shall be remitted to  
5           the applicable electric utility. To facilitate this  
6           remittance, each electric utility shall file a tariff with  
7           the Commission no later than 30 days following the  
8           effective date of this amendatory Act of the 99th General  
9           Assembly, which the Commission shall approve, after notice  
10          and hearing, no later than 45 days after its filing. The  
11          Illinois Power Agency shall use such payments to increase  
12          the amount of renewable energy resources otherwise to be  
13          procured under subsection (c) of Section 1-75 of the  
14          Illinois Power Agency Act.

15          (5) The Commission, in consultation with the Illinois  
16          Power Agency, shall establish a process or proceeding to  
17          consider the impact of a federal renewable portfolio  
18          standard, if enacted, on the operation of the alternative  
19          compliance mechanism, which shall include, but not be  
20          limited to, developing, to the extent permitted by the  
21          applicable federal statute, an appropriate methodology to  
22          apportion renewable energy credits retired as a result of  
23          alternative compliance payments made in accordance with  
24          this Section. The Commission shall commence any such  
25          process or proceeding within 35 days after enactment of a  
26          federal renewable portfolio standard.

1           (e) Each alternative retail electric supplier shall, by  
2           September 1, 2010 and by September 1 of each year thereafter,  
3           prepare and submit to the Commission a report, in a format to  
4           be specified by the Commission, that provides information  
5           certifying compliance by the alternative retail electric  
6           supplier with this Section, including copies of all PJM-GATS  
7           and M-RETS reports, and documentation relating to banking,  
8           retiring renewable energy credits, and any other information  
9           that the Commission determines necessary to ensure compliance  
10          with this Section.

11          An alternative retail electric supplier may file  
12          commercially or financially sensitive information or trade  
13          secrets with the Commission as provided under the rules of the  
14          Commission. To be filed confidentially, the information shall  
15          be accompanied by an affidavit that sets forth both the  
16          reasons for the confidentiality and a public synopsis of the  
17          information.

18          (f) The Commission may initiate a contested case to review  
19          allegations that the alternative retail electric supplier has  
20          violated this Section, including an order issued or rule  
21          promulgated under this Section. In any such proceeding, the  
22          alternative retail electric supplier shall have the burden of  
23          proof. If the Commission finds, after notice and hearing, that  
24          an alternative retail electric supplier has violated this  
25          Section, then the Commission shall issue an order requiring  
26          the alternative retail electric supplier to:

- 1           (1) immediately comply with this Section; and
- 2           (2) if the violation involves a failure to procure the
- 3           requisite quantity of renewable energy resources or pay
- 4           the applicable alternative compliance payment by the
- 5           annual deadline, the Commission shall require the
- 6           alternative retail electric supplier to double the
- 7           applicable alternative compliance payment that would
- 8           otherwise be required to bring the alternative retail
- 9           electric supplier into compliance with this Section.

10          If an alternative retail electric supplier fails to comply

11          with the renewable energy resource portfolio requirement in

12          this Section more than once in a 5-year period, then the

13          Commission shall revoke the alternative electric supplier's

14          certificate of service authority. The Commission shall not

15          accept an application for a certificate of service authority

16          from an alternative retail electric supplier that has lost

17          certification under this subsection (f), or any corporate

18          affiliate thereof, for at least one year after the date of

19          revocation.

20          (g) All of the provisions of this Section apply to

21          electric utilities operating outside their service area except

22          under item (2) of subsection (a) of this Section the quantity

23          of renewable energy resources shall be measured as a

24          percentage of the actual amount of electricity

25          (megawatt-hours) supplied in the State outside of the

26          utility's service territory during the 12-month period June 1

1 through May 31, commencing June 1, 2009, and the comparable  
2 12-month period in each year thereafter except as provided in  
3 item (6) of subsection (a) of this Section.

4 If any such utility fails to procure the requisite  
5 quantity of renewable energy resources by the annual deadline,  
6 then the Commission shall require the utility to double the  
7 alternative compliance payment that would otherwise be  
8 required to bring the utility into compliance with this  
9 Section.

10 If any such utility fails to comply with the renewable  
11 energy resource portfolio requirement in this Section more  
12 than once in a 5-year period, then the Commission shall order  
13 the utility to cease all sales outside of the utility's  
14 service territory for a period of at least one year.

15 (h) The provisions of this Section and the provisions of  
16 subsection (d) of Section 16-115 of this Act relating to  
17 procurement of renewable energy resources, and the provisions  
18 of paragraph (6) of subsection (c) of Section 1-75 of the  
19 Illinois Power Agency Act relating to the payments by retail  
20 customers of a utility for the purpose of recovering the  
21 utility's costs for procuring renewable energy credits, shall  
22 not apply to an alternative retail electric supplier, or the  
23 retail customers of an alternative retail electric supplier,  
24 that operates a combined heat and power system in this State or  
25 that has a corporate affiliate that operates such a combined  
26 heat and power system in this State that supplies electricity

1 primarily to or for the benefit of: (i) facilities owned by the  
2 supplier, its subsidiary, or other corporate affiliate; (ii)  
3 facilities electrically integrated with the electrical system  
4 of facilities owned by the supplier, its subsidiary, or other  
5 corporate affiliate; or (iii) facilities that are adjacent to  
6 the site on which the combined heat and power system is  
7 located.

8 (i) The obligations of alternative retail electric  
9 suppliers and electric utilities operating outside their  
10 service territories to procure renewable energy resources,  
11 make alternative compliance payments, and file annual reports,  
12 and the obligations of the Commission to determine and post  
13 alternative compliance payment rates, shall terminate after  
14 May 31, 2019, provided that alternative retail electric  
15 suppliers and electric utilities operating outside their  
16 service territories shall be obligated to make all alternative  
17 compliance payments that they were obligated to pay for  
18 periods through and including May 31, 2019, but were not paid  
19 as of that date. The Commission shall continue to enforce the  
20 payment of unpaid alternative compliance payments in  
21 accordance with subsections (f) and (g) of this Section. All  
22 alternative compliance payments made after May 31, 2016 shall  
23 be remitted to the applicable electric utility and used to  
24 purchase renewable energy credits, in accordance with Section  
25 1-75 of the Illinois Power Agency Act.

26 This subsection (i) is intended to accommodate the

1 transition to the procurement of renewable energy resources  
2 for all retail customers in the amounts specified under  
3 subsection (c) of Section 1-75 of the Illinois Power Agency  
4 Act and Section 16-111.5 of this Act, including but not  
5 limited to the transition to a single charge applicable to all  
6 retail customers to recover the costs of these resources. Each  
7 alternative retail electric supplier shall certify in its  
8 annual reports filed pursuant to subsection (e) of this  
9 Section after May 31, 2019, that its retail customers are not  
10 paying the costs of alternative compliance payments or  
11 renewable energy resources that the alternative retail  
12 electric supplier is not required to remit or purchase under  
13 this Section. The Commission shall have the authority to  
14 initiate an emergency rulemaking to adopt rules regarding such  
15 certification.

16 (Source: P.A. 99-906, eff. 6-1-17.)

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