**Section 455.160 ARES Self-Generation Compliance Option**

a) If an ARES meets the requirements of Section 1-75(c)(1)(H) of the IPA Act and intends to supply its retail customers with renewable energy credits from a facility or facilities meeting the requirements of that Section of the Act, the ARES must submit an information filing with the Chief Clerk of the Commission titled "Code Part 455.160 Renewable Energy Facility Self-Generation Certification" by July 17, 2017 that shall, at a minimum, for each such facility:

1) identify the electric generating facility generating renewable energy resources;

2) include a certification that, as of December 31, 2015, the ARES or its predecessor, which must have been an ARES on December 31, 2015, owned the generating facility;

3) include a certification that the facility generates renewable energy resources; and

4) include a certification that the generating facility is not powered by wind or photovoltaics.

b) If an ARES has submitted an information filing under subsection (a) and elects to supply its retail customers with renewable energy credits from facilities identified in the information filing under subsection (a), the ARES must submit by February 28 of the year preceding the applicable compliance year or by June 16, 2017, whichever is later, a notification to the Chief Clerk of the Commission of its election titled "Code Part 455.160 Renewable Energy Facility Self-Generation Annual Election" that shall, at a minimum:

1) identify the amount of renewable energy credits to be supplied to each utility's retail customers by the ARES from each facility identified in the Self-Generation Certification;

2) include a calculation demonstrating that the annual election to supply its retail customers with renewable energy credits from facilities identified in the Self-Generation Certification adheres to the following limitations:

A) for the compliance year ending May 31, 2019, the maximum amount of renewable energy credits to be supplied by an ARES from facilities identified in the Self-Generation Certification shall be 68% multiplied by 25% multiplied by 14.5% multiplied by the amount of metered electricity (megawatt-hours) delivered by the ARES to Illinois retail customers during the compliance year ending May 31, 2016.

B) for the compliance year ending May 31, 2020 and each year thereafter, the maximum amount of renewable energy credits to be supplied by an ARES from facilities identified in the Self-Generation Certification shall be 68% multiplied by 50% multiplied by 16% multiplied by the amount of metered electricity (megawatt-hours) delivered by the alternative retail electric supplier to Illinois retail customers during the compliance year ending May 31, 2016, provided that the 16% value shall increase by 1.5% each compliance year after the compliance year ending May 31, 2020 to 25% by the compliance year beginning June 1, 2025, and thereafter the 25% value shall apply to each compliance year; and

3) include a certification that none of the facilites identified in the Self-Generation Certification are facilities whose costs were being recovered through rates regulated by any state or states on or after January 1, 2017. This certification shall be supported by suitable documentation demonstrating the eligibility of the facilities under this subsection (b).

c) This subsection (c) applies to compliance years when one or more ARES meets the requirements of Section 1-75(c)(1)(H) of the IPA Act and at least one ARES elects to supply its retail customers with renewable energy credits from a facility or facilities meeting the requirements of that statute. Renewable energy credits meeting these requirements are, for purposes of this subsection (c), referred to as eligible renewable energy credits. On or before April 1 of each year, the IPA will annually publish a report on its website that identifies the aggregate amount of eligible renewable energy credits supplied by ARES under this Section.

1) The ARES target renewable energy credit quantity for a compliance year shall be equal to the sum of the covered and uncovered amount of energy supplied by the ARES in a utility service area during the compliance year multiplied by the target percentage.  For the compliance year ending May 31, 2019, the target is 14.5%.   For the compliance years after May 31, 2019 the 14.5% target shall increase by 1.5% each compliance year thereafter to 25% by the compliance year ending on May 31, 2026, and thereafter the 25% target shall apply to each compliance year. The target renewable energy credit quantity is expressed in units of electricity (megawatt-hours) and is measured as a percentage of the actual amount of metered electricity supplied to the ARES' Illinois retail customers in the utility service area pursuant to contracts executed or extended after March 15, 2009.

2) The Illinois target renewable energy credit quantity for a compliance year shall be equal to the sum of the covered and uncovered amount of energy supplied by RES and utilities in a utility service area during the immediately preceding compliance year multiplied by the target percentage.  For the compliance year ending May 31, 2019, the target shall be 14.5%. For the compliance years after May 31, 2019, the 14.5% target shall increase by 1.5% each compliance year thereafter to 25% by the compliance year ending on May 31, 2026, and thereafter the 25% target shall apply to each compliance year. The Illinois target renewable credit quantity is expressed in units of electricity (megawatt-hours) and is measured as a percentage of the actual amount of metered electricity supplied to the Illinois retail customers in a utility service area pursuant to contracts executed or extended after March 15, 2009.

3) For the compliance year ending May 31, 2019, the maximum amount of eligible renewable energy credits to be provided by an ARES in a utility service area shall be 68% multiplied by 25% multiplied by 14.5% times the amount of the sum of the covered and uncovered amount of energy supplied by the ARES in a utility service area during the compliance year ending May 31, 2016.  For the compliance year ending May 31, 2020, the maximum amount of eligible renewable energy credits to be provided by an ARES in a utility service area shall be 68% multiplied by 50% multiplied by 16% times the amount of the sum of the covered and uncovered amount of energy supplied by the ARES in a utility service area during the compliance year ending May 31, 2016.  For compliance periods ending on or after May 31, 2021, the maximum amount of eligible renewable energy credits to be provided by an ARES in a utility service area shall be 68% multiplied by 50% multiplied by 17.5% times the amount of the sum of the covered and uncovered amount of energy supplied by the ARES in a utility service area during the compliance year ending May 31, 2016, provided that the 17.5% shall increase by 1.5% each compliance period thereafter to 25% by the compliance year ending on May 31, 2026; thereafter, the 25% shall apply to each compliance year.

4) For a compliance year, the total amount of eligible renewable energy credits provided by all ARES shall not exceed 9% of the Illinois target renewable energy credit quantity in a utility service area.  If the total amount of eligible renewable energy credits provided by ARES exceeds 9% of the Illinois target renewable energy credit quantity in a utility service area for a compliance year, then each amount of eligible renewable energy credits provided by each ARES will be reduced on a pro rata basis so that the total amount of eligible renewable energy credits provided by all ARES equals 9% of the Illinois target renewable energy credit quantity in a utility service area.

5) For compliance years ending on or after May 31, 2019, the charges applicable to the ARES customers for the compliance year and that are collected by the electric utility under Section 1-75(c)(6) of the IPA Act shall be reduced by the ratio of the quantity of eligible renewable energy credits provided by the ARES in a utility service area compared to the ARES target renewable energy credit quantity in a utility service area for the compliance period. If the utility does not provide the reduction in the renewable energy charge directly to the ARES customers, then the utility shall calculate and remit the resulting credits to the applicable ARES within 30 days after the close of the compliance year. All funds refunded from the utilities shall be credited to the ARES customers, as appropriate.

6) For compliance years ending on or after May 31, 2019, the minimum quantity of renewable energy resources to be procured for the ARES customers for the compliance year, as specified in Section 455.110(c) shall be reduced in a utility service area by the ratio of the quantity of eligible renewable energy credits provided by the ARES compared to the ARES target renewable energy credit quantity for the compliance year.

(Source: Added at 41 Ill. Reg. 13580, effective October 26, 2017)