

Rep. William Davis

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Filed: 1/11/2021

10100SB3096ham001

LRB101 18366 SPS 74774 a

1 AMENDMENT TO SENATE BILL 3096 2 AMENDMENT NO. . Amend Senate Bill 3096 by replacing everything after the enacting clause with the following: 3 "Section 5. The Public Utilities Act is amended by changing 4 Section 16-108 as follows: 5 6 (220 ILCS 5/16-108) Sec. 16-108. Recovery of costs associated with the 7 8 provision of delivery and other services. (a) An electric utility shall file a delivery services 9 10 tariff with the Commission at least 210 days prior to the date

(a) An electric utility shall file a delivery services tariff with the Commission at least 210 days prior to the date that it is required to begin offering such services pursuant to this Act. An electric utility shall provide the components of delivery services that are subject to the jurisdiction of the Federal Energy Regulatory Commission at the same prices, terms and conditions set forth in its applicable tariff as approved or allowed into effect by that Commission. The Commission shall

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otherwise have the authority pursuant to Article IX to review, approve, and modify the prices, terms and conditions of those components of delivery services not subject to the jurisdiction of the Federal Energy Regulatory Commission, including the authority to determine the extent to which such delivery services should be offered on an unbundled basis. In making any such determination the Commission shall consider, at a minimum, the effect of additional unbundling on (i) the objective of just and reasonable rates, (ii) electric utility employees, and (iii) the development of competitive markets for electric energy services in Illinois.

- (b) The Commission shall enter an order approving, or approving as modified, the delivery services tariff no later than 30 days prior to the date on which the electric utility must commence offering such services. The Commission may subsequently modify such tariff pursuant to this Act.
- (c) The electric utility's tariffs shall define the classes of its customers for purposes of delivery services charges. Delivery services shall be priced and made available to all retail customers electing delivery services in each such class on a nondiscriminatory basis regardless of whether the retail customer chooses the electric utility, an affiliate of the electric utility, or another entity as its supplier of electric power and energy. Charges for delivery services shall be cost based, and shall allow the electric utility to recover the costs of providing delivery services through its charges to its

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delivery service customers that use the facilities and services associated with such costs. Such costs shall include the costs owning, operating and maintaining transmission distribution facilities. The Commission shall also be authorized to consider whether, and if so to what extent, the following costs are appropriately included in the electric utility's delivery services rates: (i) the costs of that portion of generation facilities used for the production and absorption of reactive power in order that retail customers located in the electric utility's service area can receive electric power and energy from suppliers other than the electric utility, and (ii) the costs associated with the use redispatch of generation facilities to constraints on the transmission or distribution system in order that retail customers located in the electric utility's service area can receive electric power and energy from suppliers other than the electric utility. Nothing in this subsection shall be construed as directing the Commission to allocate any of the costs described in (i) or (ii) that are found to appropriately included in the electric utility's delivery services rates to any particular customer group or geographic area in setting delivery services rates.

(d) The Commission shall establish charges, terms and conditions for delivery services that are just and reasonable and shall take into account customer impacts when establishing such charges. In establishing charges, terms and conditions for

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delivery services, the Commission shall take into account voltage level differences. A retail customer shall have the option to request to purchase electric service at any delivery service voltage reasonably and technically feasible from the electric facilities serving that customer's premises provided that there are no significant adverse impacts upon system reliability or system efficiency. A retail customer shall also have the option to request to purchase electric service at any point of delivery that is reasonably and technically feasible provided that there are no significant adverse impacts on system reliability or efficiency. Such requests shall not be unreasonably denied.

- (e) Electric utilities shall recover the costs of installing, operating or maintaining facilities for the particular benefit of one or more delivery services customers, including without limitation any costs incurred in complying with a customer's request to be served at a different voltage level, directly from the retail customer or customers for whose benefit the costs were incurred, to the extent such costs are not recovered through the charges referred to in subsections (c) and (d) of this Section.
- (f) An electric utility shall be entitled but not required to implement transition charges in conjunction with the offering of delivery services pursuant to Section 16-104. If an electric utility implements transition charges, it shall implement such charges for all delivery services customers and

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- for all customers described in subsection (h), but shall not implement transition charges for power and energy that a retail customer takes from cogeneration or self-generation facilities located on that retail customer's premises, if such facilities meet the following criteria:
 - (i) the cogeneration or self-generation facilities serve a single retail customer and are located on that retail customer's premises (for purposes of this subparagraph and subparagraph (ii), an industrial or manufacturing retail customer and a third party contractor that is served by such industrial or manufacturing customer through such retail customer's own electrical distribution facilities under the circumstances described in subsection (vi) of the definition of "alternative retail electric supplier" set forth in Section 16-102, shall be considered a single retail customer);
 - (ii) the cogeneration or self-generation facilities either (A) are sized pursuant to generally accepted engineering standards for the retail customer's electrical load at that premises (taking into account standby or other reliability considerations related to that retail customer's operations at that site) or (B) if the facility is a cogeneration facility located on the retail customer's premises, the retail customer is the thermal host for that facility and the facility has been designed to meet that retail customer's thermal energy requirements resulting in

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electrical output beyond that retail customer's electrical demand at that premises, comply with the operating and efficiency standards applicable to "qualifying facilities" specified in title 18 Code of Federal Regulations Section 292.205 as in effect on the effective date of this amendatory Act of 1999;

(iii) the retail customer on whose premises the facilities are located either has an exclusive right to receive, and corresponding obligation to pay for, all of the electrical capacity of the facility, or in the case of a cogeneration facility that has been designed to meet the retail customer's thermal energy requirements at that premises, an identified amount of the electrical capacity of the facility, over a minimum 5-year period; and

(iv) if the cogeneration facility is sized for the retail customer's thermal load at that premises but exceeds the electrical load, any sales of excess power or energy are made only at wholesale, are subject to the jurisdiction of the Federal Energy Regulatory Commission, and are not for the purpose of circumventing the provisions of this subsection (f).

If a generation facility located at a retail customer's premises does not meet the above criteria, an electric utility implementing transition charges shall implement a transition charge until December 31, 2006 for any power and energy taken by such retail customer from such facility as if such power and

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energy had been delivered by the electric utility. Provided, however, that an industrial retail customer that is taking power from a generation facility that does not meet the above criteria but that is located on such customer's premises will not be subject to a transition charge for the power and energy taken by such retail customer from such generation facility if the facility does not serve any other retail customer and either was installed on behalf of the customer and for its own use prior to January 1, 1997, or is both predominantly fueled by byproducts of such customer's manufacturing process at such premises and sells or offers an average of 300 megawatts or more of electricity produced from such generation facility into the wholesale market. Such charges shall be calculated as provided in Section 16-102, and shall be collected on each kilowatt-hour delivered under a delivery services tariff to a retail customer from the date the customer first takes delivery services until December 31, 2006 except as provided in subsection (h) of this Section. Provided, however, that an electric utility, other than an electric utility providing service to at least 1,000,000 customers in this State on January 1, 1999, shall be entitled to petition for entry of an order by the Commission authorizing the electric utility to implement transition charges for an additional period ending no later than December 31, 2008. The electric utility shall file its petition with supporting evidence no earlier than 16 months, and no later than 12 months, prior to December 31,

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2006. The Commission shall hold a hearing on the electric utility's petition and shall enter its order no later than 8 months after the petition is filed. The Commission shall determine whether and to what extent the electric utility shall be authorized to implement transition charges for an additional period. The Commission may authorize the electric utility to implement transition charges for some or all of the additional period, and shall determine the mitigation factors to be used in implementing such transition charges; provided, that the Commission shall not authorize mitigation factors less than 110% of those in effect during the 12 months ended December 31, 2006. In making its determination, the Commission shall consider the following factors: the necessity to implement transition charges for an additional period in order to maintain the financial integrity of the electric utility; the prudence of the electric utility's actions in reducing its costs since the effective date of this amendatory Act of 1997; the ability of the electric utility to provide safe, adequate and reliable service to retail customers in its service area; and the impact on competition of allowing the electric utility to implement transition charges for the additional period.

(g) The electric utility shall file tariffs that establish the transition charges to be paid by each class of customers to the electric utility in conjunction with the provision of delivery services. The electric utility's tariffs shall define the classes of its customers for purposes of calculating

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transition charges. The electric utility's tariffs shall provide for the calculation of transition charges on customer-specific basis for any retail customer whose average monthly maximum electrical demand on the electric utility's system during the 6 months with the customer's highest monthly maximum electrical demands equals or exceeds 3.0 megawatts for electric utilities having more than 1,000,000 customers, and for other electric utilities for any customer that has an average monthly maximum electrical demand on the electric utility's system of one megawatt or more, and (A) for which there exists data on the customer's usage during the 3 years preceding the date that the customer became eligible to take delivery services, or (B) for which there does not exist data on the customer's usage during the 3 years preceding the date that the customer became eligible to take delivery services, if in the electric utility's reasonable judgment there exists comparable usage information or a sufficient basis to develop such information, and further provided that the electric utility can require customers for which an individual calculation is made to sign contracts that set forth the transition charges to be paid by the customer to the electric utility pursuant to the tariff.

(h) An electric utility shall also be entitled to file tariffs that allow it to collect transition charges from retail customers in the electric utility's service area that do not take delivery services but that take electric power or energy

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from an alternative retail electric supplier or from an electric utility other than the electric utility in whose service area the customer is located. Such charges shall be calculated, in accordance with the definition of transition charges in Section 16-102, for the period of time that the customer would be obligated to pay transition charges if it were taking delivery services, except that no deduction for delivery services revenues shall be made in such calculation, and usage data from the customer's class shall be used where historical usage data is not available for the individual customer. The customer shall be obligated to pay such charges on a lump sum basis on or before the date on which the customer commences to take service from the alternative retail electric supplier or other electric utility, provided, that the electric utility in whose service area the customer is located shall offer the customer the option of signing a contract pursuant to which the customer pays such charges ratably over the period in which the charges would otherwise have applied.

(i) An electric utility shall be entitled to add to the bills of delivery services customers charges pursuant to Sections 9-221, 9-222 (except as provided in Section 9-222.1), and Section 16-114 of this Act, Section 5-5 of the Electricity Infrastructure Maintenance Fee Law, Section 6-5 of Renewable Energy, Energy Efficiency, and Coal Resources Development Law of 1997, and Section 13 of the Energy Assistance Act.

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(j) If a retail customer that obtains electric power and from cogeneration or self-generation facilities enerav installed for its own use on or before January 1, 1997, subsequently takes service from an alternative retail electric supplier or an electric utility other than the electric utility in whose service area the customer is located for any portion of the customer's electric power and energy requirements formerly obtained from those facilities (including that amount purchased from the utility in lieu of such generation and not as standby power purchases, under a cogeneration displacement tariff in effect as of the effective date of this amendatory Act of 1997), the transition charges otherwise applicable pursuant to subsections (f), (g), or (h) of this Section shall not be applicable in any year to that portion of the customer's electric power and energy requirements formerly obtained from those facilities, provided, that for purposes of this subsection (j), such portion shall not exceed the average of kilowatt-hours per year obtained from number cogeneration or self-generation facilities during the 3 years prior to the date on which the customer became eligible for delivery services, except as provided in subsection (f) of Section 16-110.

(k) The electric utility shall be entitled to recover through tariffed charges all of the costs associated with the purchase of zero emission credits from zero emission facilities to meet the requirements of subsection (d-5) of Section 1-75 of

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the Illinois Power Agency Act. Such costs shall include the costs of procuring the zero emission credits, as well as the reasonable costs that the utility incurs as part of the procurement processes and to implement and comply with plans and processes approved by the Commission under such subsection (d-5). The costs shall be allocated across all retail customers through a single, uniform cents per kilowatt-hour charge applicable to all retail customers, which shall appear as a separate line item on each customer's bill. Beginning June 1, 2017, the electric utility shall be entitled to recover through tariffed charges all of the costs associated with the purchase of renewable energy resources to meet the renewable energy resource standards of subsection (c) of Section 1-75 of the Illinois Power Agency Act, under procurement plans as approved in accordance with that Section and Section 16-111.5 of this Act. Such costs shall include the costs of procuring the renewable energy resources, as well as the reasonable costs that the utility incurs as part of the procurement processes and to implement and comply with plans and processes approved by the Commission under such Sections. The costs associated with the purchase of renewable energy resources shall be allocated across all retail customers in proportion to the amount of renewable energy resources the utility procures for customers through a single, uniform cents kilowatt-hour charge applicable to such retail customers, which shall appear as a separate line item on each such

customer's bill.

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Notwithstanding whether the Commission has approved the initial long-term renewable resources procurement plan as of June 1, 2017, an electric utility shall place new tariffed charges into effect beginning with the June 2017 monthly billing period, to the extent practicable, to begin recovering the costs of procuring renewable energy resources, as those charges are calculated under the limitations described in subparagraph (E) of paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act. Notwithstanding the date on which the utility places such new tariffed charges into effect, the utility shall be permitted to collect the charges under such tariff as if the tariff had been in effect beginning with the first day of the June 2017 monthly billing period. For the delivery years commencing June 1, 2017, June 1, 2018, and June 1, 2019, <u>June 1, 2020</u>, and <u>June 1, 2021</u>, the electric utility shall deposit into a separate interest bearing account of a financial institution the monies collected under the tariffed charges. Any interest earned shall be credited back to retail customers under the reconciliation proceeding provided for in this subsection (k), provided that the electric utility shall first be reimbursed from the interest for administrative costs that it incurs to administer and manage the account. Any taxes due on the funds in the account, or interest earned on it, will be paid from the account or, if insufficient monies are available in the account, from the

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monies collected under the tariffed charges to recover the procuring renewable energy resources. deposited in the account shall be subject to the review, reconciliation, and true-up process described in subsection (k) that is applicable to the funds collected and costs incurred for the procurement of renewable energy resources.

The electric utility shall be entitled to recover all of the costs identified in this subsection (k) through automatic adjustment clause tariffs applicable to all of the utility's retail customers that allow the electric utility to adjust its tariffed charges consistent with this subsection (k). The determination as to whether any excess funds were collected during a given delivery year for the purchase of renewable energy resources, and the crediting of any excess funds back to retail customers, shall not be made until after the close of the delivery year, which will ensure that the maximum amount of funds is available to implement the approved long-term renewable resources procurement plan during a given delivery year. The amount of excess funds credited back to retail customers shall be reduced by an amount equal to the payment obligations required by any contracts entered into by an electric utility under the Adjustable Block Program described in subparagraphs (K) through (M) of paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act or the Illinois Solar for All Program described in subsection (b) of

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Section 1-56 of the Illinois Power Agency Act, even if such payments have not yet been made. The electric utility's collections under such automatic adjustment clause tariffs to recover the costs of renewable energy resources and zero emission credits from zero emission facilities shall be subject to separate annual review, reconciliation, and true-up against actual costs by the Commission under a procedure that shall be specified in the electric utility's automatic adjustment clause tariffs and that shall be approved by the Commission in connection with its approval of such tariffs. The procedure shall provide that any difference between the electric utility's collections under the automatic adjustment charges for an annual period and the electric utility's actual costs of renewable energy resources and zero emission credits from zero emission facilities for that same annual period shall be refunded to or collected from, as applicable, the electric utility's retail customers in subsequent periods.

Nothing in this subsection (k) is intended to affect, limit, or change the right of the electric utility to recover the costs associated with the procurement of renewable energy resources for periods commencing before, on, or after June 1, 2017, as otherwise provided in the Illinois Power Agency Act.

Notwithstanding anything to the contrary, the Commission shall not conduct an annual review, reconciliation, and true-up associated with renewable energy resources' collections and costs for the delivery years commencing June 1, 2017, June 1,

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2018, June 1, 2019, and June 1, 2020, June 1, 2021, and June 1, 1 instead conduct 2022, and shall а single review, reconciliation, and true-up associated with renewable energy resources' collections and costs for the 6-year 4-year period beginning June 1, 2017 and ending May 31, 2023 2021, provided 6 that the review, reconciliation, and true-up shall not be initiated until after August 31, 2023 2021. During the 6-year 7 4 year period, the utility shall be permitted to collect and retain funds under this subsection (k) and to purchase renewable energy resources under an approved long-term renewable resources procurement plan using those funds regardless of the delivery year in which the funds were collected during the 6-year 4-year period.

If the amount of funds collected during the delivery year commencing June 1, 2017, exceeds the costs incurred during that delivery year, then up to half of this excess amount, as calculated on June 1, 2018, may be used to fund the programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act in the same proportion the programs are funded under that subsection (b). However, any amount identified under this subsection (k) to fund programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act shall be reduced if it exceeds the funding shortfall. For purposes of this Section, "funding shortfall" means the difference between \$200,000,000 and the amount appropriated by the General Assembly to the Illinois Power Agency Renewable Energy Resources Fund during

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amendatory act of the 99th General Assembly and ends on August 2

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If the amount of funds collected during the delivery year commencing June 1, 2018, exceeds the costs incurred during that delivery year, then up to half of this excess amount, as calculated on June 1, 2019, may be used to fund the programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act in the same proportion the programs are funded under that subsection (b). However, any amount identified under this subsection (k) to fund programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act shall be reduced if it exceeds the funding shortfall.

If the amount of funds collected during the delivery year commencing June 1, 2019, exceeds the costs incurred during that delivery year, then up to half of this excess amount, as calculated on June 1, 2020, may be used to fund the programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act in the same proportion the programs are funded under that subsection (b). However, any amount identified under this subsection (k) to fund programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act shall be reduced if it exceeds the funding shortfall.

If the amount of funds collected during the delivery year commencing June 1, 2020, exceeds the costs incurred during that delivery year, then up to half of this excess amount, as

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1 calculated on June 1, 2021, may be used to fund the programs under subsection (b) of Section 1-56 of the Illinois Power 2 Agency Act in the same proportion the programs are funded under 3 4 that subsection (b). However, any amount identified under this 5 subsection (k) to fund programs under subsection (b) of Section 6 1-56 of the Illinois Power Agency Act shall be reduced if it exceeds the funding shortfall. 7

If the amount of funds collected during the delivery year commencing June 1, 2021, exceeds the costs incurred during that delivery year, then up to half of this excess amount, as calculated on June 1, 2022, may be used to fund the programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act in the same proportion the programs are funded under that subsection (b). However, any amount identified under this subsection (k) to fund programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act shall be reduced if it exceeds the funding shortfall.

The funding available under this subsection (k), if any, for the programs described under subsection (b) of Section 1-56 of the Illinois Power Agency Act shall not reduce the amount of funding for the programs described in subparagraph (0) of paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act. If funding is available under this subsection (k) for programs described under subsection (b) of Section 1-56 of the Illinois Power Agency Act, then the long-term renewable resources plan shall provide for the Agency to procure

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1 contracts in an amount that does not exceed the funding, and the contracts approved by the Commission shall be executed by 2

3 the applicable utility or utilities.

> (k-5)(1) The General Assembly finds and declares that maintaining continuity in funding for new renewable energy projects in Illinois is critical to preserving jobs, providing lower customer bills, helping to improve the economic well-being of the State of Illinois, and improving the environment. To preserve jobs and avoid industry disruption, this Act requires that the Illinois Power Agency update its long-term renewable energy resources procurement plan approved by the Commission pursuant to paragraph (5) of subsection (b) of Section 16-111.5 of the Public Utilities Act to leverage funds preserved for renewable energy resource procurement through this amendatory Act of the 101st General Assembly. This update shall be a one-time update to the long-term renewable resources procurement plan and is intended to be a one-time stimulus program using only that funding preserved from reconciliation through this amendatory Act of the 101st General Assembly, and shall be referred to as the "Emergency Relief for Renewable Jobs Program".

(2) Notwithstanding anything to the contrary, the Agency shall file an update to the revised long-term renewable resources procurement plan approved by the Commission on February 18, 2020 within 15 days after the effective date of this amendatory Act of the 101st General Assembly in accordance

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with Section 16-111.5 of the Public Utilities Act and paragraph (3) of this subsection. This update shall be limited to specifying how the Agency will allocate capacity between and within programs and procurements pursuant to this Act using any additional funding made available as a result of this amendatory Act of the 101st General Assembly. The Commission shall approve the update, after notice and hearing, no later than 30 days after it is filed by the Agency.

(3) The update to the revised long-term renewable resources procurement plan shall, at a minimum, provide for the following:

(A) Procurement of additional renewable energy credits from the categories of the Adjustable Block Program established pursuant to items (i), (ii), and (iii) of subparagraph (K) of paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act at the minimum percentages required for each block by subparagraph (K) of paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act, and with the remaining 25% allocated to the procurement of renewable energy credits from the categories of the Adjustable Block Program established pursuant to items (i), (ii), and (iii) of subparagraph (K) of paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act that are sourced from or the balance of the project developed by businesses that are owned by minority persons, women, or

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persons with disabilities. The terms "minority persons", "women", and "persons with disabilities" have the same meaning as provided in Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act. The Agency shall seek to fill a minimum of one block for each of the groups and categories specified in the revised long-term renewable resources procurement plan. Blocks need not conform to each other or previous block sizes. Block capacity in each group and category shall be assigned to waitlisted projects first. The renewable energy credit price for the first block opened in each group and each category of the Emergency Relief for Renewable Jobs Program shall be the same as the renewable energy credit price in the last open block for each respective group and category. The Agency shall collect information necessary to assess the percentage of renewable energy credits that are procured from businesses owned by minority persons, women, and persons with disabilities.

(B) Procurement of renewable energy credits from new utility-scale wind projects, new utility-scale solar projects, and new brownfield site photovoltaic projects. The update shall identify proposed procurement quantities for a single procurement event from new utility-scale wind projects, new utility-scale solar projects, and new brownfield site photovoltaic projects at a maximum of 1,000,000 renewable energy credits delivered annually from

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each of utility-scale wind projects and utility-scale solar projects, and 100,000 renewable energy credits delivered annually from brownfield site photovoltaic projects using the <u>competitive procurement process</u> described in Section 16-111.5 of the Public Utilities Act. Notwithstanding anything to the contrary, projects selected through procurements authorized by this update shall begin delivery of renewable energy credits no earlier than June 1, 2024. The planning for procurement events under this subparagraph (B) shall not delay the opening of new blocks of the Adjustable Block Program under subparagraph (A).

Any company that receives a renewable energy credit contract from the Emergency Relief for Renewable Jobs Program shall submit an annual report pursuant to Section 5-117 of this Act within 6 months after the date of the contract award.

Any company that receives a renewable energy credit contract from the Emergency Relief for Renewable Jobs Program for projects over 500 kilowatts in nameplate capacity must certify that not less than the prevailing wage was or will be paid to employees who are engaged in construction activities associated with the project. "Prevailing wage" has the same meaning as defined in subparagraph (F) of paragraph (3) of subsection (a) of Section 5.5 of the Illinois Enterprise Zone Act.

(4) The implementation of the update filed under paragraph

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- (2) of this subsection shall commence as soon as practicable with blocks from subparagraph (A) of paragraph (3) of this subsection to open 5 business days after Commission approval.
 - (1) A utility that has terminated any contract executed under subsection (d-5) of Section 1-75 of the Illinois Power Agency Act shall be entitled to recover any remaining balance associated with the purchase of zero emission credits prior to such termination, and such utility shall also apply a credit to its retail customer bills in the event of any over-collection.
 - (m) (1) An electric utility that recovers its costs of zero emission credits from emission procuring zero facilities through a cents-per-kilowatthour charge under to subsection (k) of this Section shall be subject to the requirements of this subsection (m). Notwithstanding anything to the contrary, such electric utility shall, beginning on April 30, 2018, and each April 30 thereafter until April 30, 2026, calculate whether any reduction must be applied to such cents-per-kilowatthour charge that is paid by retail customers of the electric utility that are exempt from subsections (a) through (j) of Section 8-103B of this Act under subsection (1) of Section 8-103B. Such charge shall be reduced for such customers for the next delivery year commencing on June 1 based on the amount necessary, if any, to limit the annual estimated average net increase for the prior calendar year due to the future energy investment costs to no more than 1.3% of 5.98 cents

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per kilowatt-hour, which is the average amount paid per kilowatthour for electric service during the year ending December 31, 2015 by Illinois industrial retail customers, as reported to the Edison Electric Institute.

The calculations required by this subsection (m) shall be made only once for each year, and no subsequent rate impact determinations shall be made.

- (2) For purposes of this Section, "future energy investment costs" shall be calculated by subtracting the cents-per-kilowatthour charge identified in subparagraph this paragraph (2) from (A) of the sum of the cents-per-kilowatthour charges identified in subparagraph (B) of this paragraph (2):
 - (A) The cents-per-kilowatthour charge identified in the electric utility's tariff placed into effect under Section 8-103 of the Public Utilities Act that, on December 1, 2016, was applicable to those retail customers that are exempt from subsections (a) through (j) of Section 8-103B of this Act under subsection (1) of Section 8-103B.
 - The ofthe following (B) sum cents-per-kilowatthour charges applicable to those retail customers that are exempt from subsections (a) through (j) of Section 8-103B of this Act under subsection (1) of Section 8-103B, provided that if one or more of the following charges has been in effect and

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applied to such customers for more than one calendar year, then each charge shall be equal to the average of the charges applied over a period that commences with the calendar year ending December 31, 2017 and ends with the most recently completed calendar year prior to the calculation required by this subsection (m):

- (i) the cents-per-kilowatthour charge recover the costs incurred by the utility under subsection (d-5) of Section 1-75 of the Illinois Power Agency Act, adjusted for any reductions required under this subsection (m); and
- (ii) the cents-per-kilowatthour charge to recover the costs incurred by the utility under Section 16-107.6 of the Public Utilities Act.

If no charge was applied for a given calendar year under item (i) or (ii) of this subparagraph (B), then the value of the charge for that year shall be zero.

(3) If a reduction is required by the calculation performed under this subsection (m), then the amount of the reduction shall be multiplied by the number of years reflected in the averages calculated under subparagraph (B) of paragraph (2) of this subsection (m). Such reduction shall be applied to the cents-per-kilowatthour charge that is applicable to those retail customers that are exempt from subsections (a) through (j) of Section 8-103B of this Act under subsection (1) of Section 8-103B beginning with

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1 the next delivery year commencing after the date of the calculation required by this subsection (m). 2

- (4) The electric utility shall file a notice with the Commission on May 1 of 2018 and each May 1 thereafter until May 1, 2026 containing the reduction, if any, which must be applied for the delivery year which begins in the year of the filing. The notice shall contain the calculations made pursuant to this Section. By October 1 of each year beginning in 2018, each electric utility shall notify the Commission if it appears, based on an estimate of the calculation required in this subsection (m), that a reduction will be required in the next year.
- (Source: P.A. 99-906, eff. 6-1-17.) 13
- 14 Section 97. Severability. The provisions of this Act are 15 severable under Section 1.31 of the Statute on Statutes.
- 16 Section 99. Effective date. This Act takes effect upon 17 becoming law.".