



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB3446

Introduced 2/22/2021, by Rep. Marcus C. Evans, Jr.

SYNOPSIS AS INTRODUCED:

20 ILCS 3855/1-20
20 ILCS 3855/1-75
30 ILCS 105/5.935 new
220 ILCS 5/16-108
220 ILCS 5/16-111.5

Provides that the amendatory Act may be referred to as the Coal to Solar and Energy Storage Act. Amends the Illinois Power Agency Act, the State Finance Act, and the Public Utilities Act. Authorizes the procurement of renewable energy credits by electric utilities serving more than 300,000 retail customers as of January 1, 2019. Provides for the renewable energy credits to be related to new renewable energy resources installed at the site of electric generation that on January 1, 2019 burned coal as the primary fuel source. Provides for the Illinois Power Agency to manage the procurement of the credits. Establishes the requirements for eligibility for the credits. Requires the electric utilities to file a tariff for the billing and collection of a Coal to Solar and Energy Storage Initiative Charge on each kilowatthour of electricity delivered to its delivery services customers within its service territory at specified rates and to deposit a percentage of its collections in the Coal to Solar and Energy Storage Incentive and Plant Transition Fund. Establishes the Coal to Solar and Energy Storage Incentive and Plant Transition Fund as a special fund in the State treasury to provide transitional support funding to coal-fueled electric utilities participating in the utilization of the renewable energy credits. Effective immediately.

LRB102 16951 SPS 22368 b

1 AN ACT concerning State government.

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

4 Section 1. This Act may be referred to as the Coal to Solar
5 and Energy Storage Act.

6 Section 5. Legislative findings. The General Assembly
7 finds and declares:

8 (1) The overall objectives of regulation of the
9 electric utility industry in this State, as expressed by
10 the General Assembly in the Illinois Power Agency Act and
11 the Public Utilities Act, include the provision of
12 adequate, efficient, reliable, environmentally safe, and
13 least-cost utility services at prices that accurately
14 reflect the long-term cost of such services and that are
15 equitable to all citizens.

16 (2) For many years, a significant portion of the
17 electricity consumed by consumers and businesses in this
18 State, particularly in the downstate region of this State,
19 has been produced by large coal-fueled electric generating
20 stations located in the downstate region. Further, these
21 electric generating stations are typically available to
22 provide electricity to serve the demands of retail
23 customers 24 hours per day, 7 days per week, without

1 regard to inherently intermittent natural conditions such
2 as wind speeds or the hours in which solar energy is
3 available.

4 (3) In recent years, the prices for electric
5 generating capacity and electric energy available to
6 coal-fueled electric generating stations located in the
7 downstate region of this State have been insufficient to
8 enable some electric generating facilities located within
9 the downstate region to remain in operation, and has
10 placed other electric generating stations in the downstate
11 region at economic risk of closure. Changes in
12 environmental regulations have also contributed to the
13 retirement of coal-fueled generating stations in the
14 downstate region.

15 (4) Between 2015 and 2021, more than 4,300 megawatts
16 of electric generating facilities located in Load Zone 4
17 of the Midcontinent Independent System Operator, Inc. in
18 downstate Illinois have been permanently retired,
19 rendering this capacity unavailable to serve the demands
20 of Illinois electricity consumers. Additional electric
21 generating capacity in this downstate region has been
22 announced for retirement by no later than 2027, with
23 approximately 580 megawatts to be retired by the end of
24 2022, 170 megawatts to be retired by end of 2023, 2,520
25 megawatts announced for retirement no later than the end
26 of 2025, and 615 megawatts announced for retirement by the

1 end of 2027, resulting in a total of almost 8,200
2 megawatts of coal-fueled electric generating capacity in
3 this downstate region that has recently been retired or
4 announced for retirement by no later than 2027. It is
5 estimated that of the 2,520 megawatts of generating
6 capacity announced for retirement by the end of 2025,
7 approximately 2,200 megawatts of generating capacity
8 located in this downstate region is currently at
9 significant risk of retirement as soon as the end of 2022,
10 without additional revenues or transition support, in
11 light of prevailing low prices for electric generating
12 capacity and electric energy in Load Zone 4 of the
13 Midcontinent Independent System Operator, Inc., or due to
14 recently enacted or adopted environmental regulations.
15 Further, an additional 1,108 megawatts of coal-fueled
16 electric generating capacity that is located in the
17 downstate region but is interconnected with the ComEd Zone
18 of the PJM Interconnection, LLC has been announced for
19 retirement by the end of 2027. In short, a vast majority of
20 the coal-fueled generation located in the downstate region
21 has been recently retired or will be retired by no later
22 than the end of 2027.

23 (5) To a significant extent, as the existing bulk
24 power system is presently configured, electricity, when
25 generated, cannot yet be stored for future use in any
26 significant amount relative to the total amount of

1 electricity that existing generating facilities can
2 produce. Rather, for the most part, electricity must be
3 generated instantaneously at the time and in the amount
4 that it is demanded by residential and business consumers.
5 This characteristic of the existing bulk power system is
6 unlikely to change significantly in the near term. The
7 development of energy storage facilities provides some
8 opportunity to store some amounts of electricity for use
9 at later times. However, energy storage facilities with
10 sufficient capacity to deliver electricity to meet the
11 demands of consumers within each load zone in this State,
12 24 hours per day, 7 days per week on every day of the year,
13 have not yet been built.

14 (6) Reliable electric service at all times is
15 essential to the functioning of a modern economy and of
16 society in general. The health, welfare, and prosperity of
17 Illinois citizens, including the attractiveness of the
18 State of Illinois to business and industry, requires the
19 availability of sufficient electric generating capacity,
20 including energy storage capacity, to meet the demands of
21 consumers and businesses in this State at all times. In
22 fact, during the COVID-19 crisis, electric generating
23 facilities in Illinois, including those scheduled for
24 retirement, have been declared essential services and the
25 employees at these facilities declared essential employees
26 who have gallantly answered the call of duty to continue

1 providing reliable electric service in the face of the
2 pandemic threat.

3 (7) In the near term, there is uncertainty as to the
4 sufficiency of electric generating resources to reliably
5 serve the electric capacity and energy needs of
6 residential and business electricity customers in the
7 downstate region, particularly in light of the additional
8 amounts of coal-fueled electric generating resources in
9 the downstate region that are economically at risk and may
10 retire in the near future. Both the Midcontinent
11 Independent System Operator, Inc., which is the
12 independent transmission system operator for downstate
13 Illinois, and its Independent Market Monitor, have
14 expressed concerns about the sufficiency of electric
15 generating resources in downstate Illinois over the next
16 several years, due primarily to the possibility of
17 retirements of coal-fueled electric generating facilities
18 and concerns about how quickly and extensively new wind
19 and solar generating facilities will be placed into
20 service. These concerns were originally expressed by these
21 organizations prior to the announcements in 2019 of
22 additional retirements of electric generating plants with
23 more than 2,600 megawatts of capacity in the downstate
24 region and subsequent announcements of the scheduled
25 retirements of additional electric generating facilities
26 in the downstate region. Concerns have also been

1 expressed, based on the intermittent nature of wind and
2 solar generating facilities, as to whether the grid can
3 operate reliably without sufficient dispatchable
4 generation resources or significant additions of energy
5 storage facilities to balance the output of renewable
6 generating facilities. Other commentators have stated that
7 such concerns about resource adequacy in downstate
8 Illinois are overstated. However, the General Assembly
9 believes that the State cannot afford to find itself in a
10 situation of insufficient electric generating resources to
11 meet the needs of Illinois residential and business
12 consumers.

13 (8) Consistent with the overall objectives of the
14 regulation of the electric utility industry in this State,
15 regulation should ensure that sufficient generating
16 capacity resources, including energy storage resources,
17 are available on both a short-term basis and a long-term
18 basis to enable the electric utility grid to meet the
19 demands of Illinois electricity consumers at all times.

20 (9) Through previous enactments beginning in 1997, the
21 General Assembly has mandated that electric utilities and
22 other load-serving entities in this State obtain specified
23 portions of the electric energy needed to serve their
24 retail loads in this State through the procurement of
25 electricity or renewable energy credits from renewable
26 energy resources, among other means through procurement

1 events managed and supervised by the Illinois Power
2 Agency.

3 (10) Correspondingly, through previous enactments
4 beginning in 2007, the General Assembly has provided
5 incentives for the construction and operation of wind,
6 solar, and other types of renewable energy resources to
7 serve load in Illinois, and has mandated the imposition of
8 charges to retail customers, subject to caps, to fund the
9 procurement of electricity and renewable energy credits
10 from such facilities. In such enactments, the General
11 Assembly has recognized that providing opportunities to
12 enter into long-term contracts for the purchase of
13 electricity and renewable energy credits from renewable
14 energy resources creates incentives, and in fact is
15 necessary, for the construction and operation of such
16 resources. Developers typically will not and cannot,
17 financially, develop new, large-scale renewable energy
18 generating resources without having secured long-term
19 contracts for the electricity output and renewable energy
20 credits of the new facilities.

21 (11) The permitting and siting of new wind and solar
22 generating resources in Illinois are subject to local
23 governmental control, rather than State control, and in
24 many areas of this State, there has been strong opposition
25 to the siting and construction of new utility-scale wind
26 and solar generating resources, which in turn has resulted

1 in the denial of, or withdrawal of requests for, necessary
2 approvals for some projects and the enactment of local
3 zoning ordinances imposing requirements and restrictions
4 that increase the costs and reduce the economic
5 attractiveness of such projects. This has resulted in the
6 delay or cancellation of a number of new renewable energy
7 resource projects.

8 (12) In light of the intermittent nature of many types
9 of renewable energy resources, such as wind and solar
10 generation resources, the installation and operation of
11 electricity storage facilities in conjunction with the
12 installation and operation of renewable generation
13 resources can enhance the value of renewable energy
14 resources to the electric grid, particularly as a reliable
15 source of electric capacity as well as electric energy.

16 (13) Through legislation enacted in 2016, the General
17 Assembly, through the program commonly referred to as the
18 zero emission credit program, has provided for the
19 continued economic viability of certain
20 economically-challenged nuclear generating facilities in
21 Illinois that are also significant employers and
22 taxpayers. Certain Illinois electric utilities are
23 required to purchase specified amounts of zero emission
24 credits from these nuclear generating facilities, with
25 such purchases to be funded through an additional charge
26 to the electric utilities' retail customers as specified

1 in the legislation.

2 (14) The sites of many of the large coal-fueled
3 electric generating stations located in the downstate
4 region of this State that have recently been retired or
5 are at risk of retirement in the near term have existing
6 infrastructure and other characteristics that make them
7 suitable potential sites for development of new renewable
8 energy generating resources and electricity storage
9 resources. This infrastructure and other characteristics
10 include large amounts of available land situated at a
11 suitable distance from populated areas, suitable levels of
12 exposure to sunlight, and high voltage interconnections to
13 the bulk electric system transmission grid at strategic
14 locations. Development of these generating plant sites for
15 large-scale renewable energy generating resources and
16 electricity storage resources can help advance this
17 State's objective of increasing the portion of the State's
18 total electricity usage that is supplied by zero emission
19 resources, while supporting the reliability of electric
20 service in the downstate region. Further, development of
21 these generating plant sites for large-scale renewable
22 energy generating resources and electricity storage
23 resources can provide employment, local economic activity,
24 and tax base for the nearby communities, offsetting, at
25 least in part, the reduction in employment, economic
26 activity, and tax revenues resulting from the retirement

1 of nearby coal-fueled electric generating stations.
2 Accordingly, the General Assembly finds that it is in the
3 public interest to encourage the redevelopment of the
4 sites of retired and to-be retired coal-fueled electric
5 generating stations as locations for renewable energy
6 generating resources and electricity storage resources.

7 (15) The General Assembly finds that it is appropriate
8 for the State of Illinois to establish a program to
9 provide for incentives for the installation and operation
10 of new renewable energy resources, along with energy
11 storage resources, at the sites of retired and at-risk
12 coal-fueled electric generating facilities in the
13 downstate region of this State, to provide incentives for
14 continued operation, in the near term, of the remaining
15 coal-fueled generating facilities in the downstate region
16 to ensure the availability of sufficient electric capacity
17 and energy resources to meet the demands of residential
18 and business electricity consumers in the downstate region
19 as well as in the State as a whole, while at the same time
20 also providing incentives for the transition to retirement
21 of some additional portion of the coal-fueled electric
22 generating facilities in the downstate region.

23 Section 10. The Illinois Power Agency Act is amended by
24 changing Sections 1-20 and 1-75 as follows:

1 (20 ILCS 3855/1-20)

2 Sec. 1-20. General powers of the Agency.

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

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

23 (1.5) Develop a long-term renewable resources
24 procurement plan in accordance with subsection (c) of
25 Section 1-75 of this Act for renewable energy credits in
26 amounts sufficient to achieve the standards specified in

1 this Act for delivery years commencing June 1, 2017 and
2 for the programs and renewable energy credits specified in
3 Section 1-56 of this Act. Electricity procurement plans
4 for delivery years commencing after May 31, 2017, shall
5 not include procurement of renewable energy resources.

6 (2) Conduct competitive procurement processes to
7 procure the supply resources identified in the electricity
8 procurement plan, pursuant to Section 16-111.5 of the
9 Public Utilities Act, and, for the delivery year
10 commencing June 1, 2017, conduct procurement processes to
11 procure zero emission credits from zero emission
12 facilities, under subsection (d-5) of Section 1-75 of this
13 Act.

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

21 (2.10) Oversee the procurement by electric utilities
22 that served more than 300,000 customers in this State as
23 of January 1, 2019 of renewable energy credits from new
24 renewable energy resources to be installed, along with
25 energy storage resources, at or adjacent to the sites of
26 electric generating facilities that burned coal as their

1 primary fuel source as of January 1, 2019, in accordance
2 with subsection (c-5) of Section 1-75 of this Act.

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

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

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

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

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

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

22 (4) To obtain and employ personnel and hire
23 consultants that are necessary to fulfill the Agency's
24 purposes, and to make expenditures for that purpose within
25 the appropriations for that purpose.

26 (5) To purchase, receive, take by grant, gift, devise,

1 bequest, or otherwise, lease, or otherwise acquire, own,
2 hold, improve, employ, use, and otherwise deal in and
3 with, real or personal property whether tangible or
4 intangible, or any interest therein, within the State.

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

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

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

25 (9) To make and execute agreements, contracts, and
26 other instruments necessary or convenient in the exercise

1 of the powers and functions of the Agency under this Act,
2 including contracts with any person, including personal
3 service contracts, or with any local government, State
4 agency, or other entity; and all State agencies and all
5 local governments are authorized to enter into and do all
6 things necessary to perform any such agreement, contract,
7 or other instrument with the Agency. No such agreement,
8 contract, or other instrument shall exceed 40 years.

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

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

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

24 (13) To procure insurance against any loss in
25 connection with its properties or operations in such
26 amount or amounts and from such insurers, including the

1 federal government, as it may deem necessary or desirable,
2 and to pay any premiums therefor.

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

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

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

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

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

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

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

7 (21) To accept and expend appropriations.

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

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

19 (24) To establish and collect charges and fees as
20 described in this Act.

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

25 (26) To review, revise, and approve sourcing
26 agreements and mediate and resolve disputes between gas

1 utilities and the clean coal SNG brownfield facility
2 pursuant to subsection (h-1) of Section 9-220 of the
3 Public Utilities Act.

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

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

11 (20 ILCS 3855/1-75)

12 Sec. 1-75. Planning and Procurement Bureau. The Planning
13 and Procurement Bureau has the following duties and
14 responsibilities:

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

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

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

24 In accordance with subsection (c-5) of this Section, the
25 Planning and Procurement Bureau shall oversee the procurement
26 by electric utilities that served more than 300,000 retail

1 customers in this State as of January 1, 2019 of renewable
2 energy credits from new renewable energy resources to be
3 installed, along with energy storage resources, at or adjacent
4 to the sites of electric generating facilities that, as of
5 January 1, 2019, burned coal as their primary fuel source.

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

12 (A) direct previous experience assembling
13 large-scale power supply plans or portfolios for
14 end-use customers;

15 (B) an advanced degree in economics, mathematics,
16 engineering, risk management, or a related area of
17 study;

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

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

24 (E) expertise in credit protocols and familiarity
25 with 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 (2) The Agency shall each year, as needed, issue a
6 request for qualifications for a procurement administrator
7 to conduct the competitive procurement processes in
8 accordance with Section 16-111.5 of the Public Utilities
9 Act. In order to qualify an expert or expert consulting
10 firm must have:

11 (A) direct previous experience administering a
12 large-scale competitive procurement process;

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

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

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

21 (E) expertise in credit and contract protocols;

22 (F) adequate resources to perform and fulfill the
23 required functions and responsibilities; and

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

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

16 (A) failure to satisfy qualification criteria;

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

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

20 The Agency shall remove experts or expert consulting
21 firms from the lists within 10 days if there is a
22 reasonable basis for an objection and provide the updated
23 lists to the affected utilities and other interested
24 parties. If the Agency fails to remove an expert or expert
25 consulting firm from a list, an objecting party may seek
26 review by the Commission within 5 days thereafter by

1 filing a petition, and the Commission shall render a
2 ruling on the petition within 10 days. There is no right of
3 appeal of the Commission's ruling.

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

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

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

21 (b) The experts or expert consulting firms retained by the
22 Agency shall, as appropriate, prepare procurement plans, and
23 conduct a competitive procurement process as prescribed in
24 Section 16-111.5 of the Public Utilities Act, to ensure
25 adequate, reliable, affordable, efficient, and environmentally
26 sustainable electric service at the lowest total cost over

1 time, taking into account any benefits of price stability, for
2 eligible retail customers of electric utilities that on
3 December 31, 2005 provided electric service to at least
4 100,000 customers in the State of Illinois, and for eligible
5 Illinois retail customers of small multi-jurisdictional
6 electric utilities that (i) on December 31, 2005 served less
7 than 100,000 customers in Illinois and (ii) request a
8 procurement plan for their Illinois jurisdictional load.

9 (c) Renewable portfolio standard.

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

26 (B) Subject to subparagraph (F) of this paragraph (1),

1 the long-term renewable resources procurement plan shall
2 include the goals for procurement of renewable energy
3 credits to meet at least the following overall
4 percentages: 13% by the 2017 delivery year; increasing by
5 at least 1.5% each delivery year thereafter to at least
6 25% by the 2025 delivery year; and continuing at no less
7 than 25% for each delivery year thereafter. In the event
8 of a conflict between these goals and the new wind and new
9 photovoltaic procurement requirements described in items
10 (i) through (iii) of subparagraph (C) of this paragraph
11 (1), the long-term plan shall prioritize compliance with
12 the new wind and new photovoltaic procurement requirements
13 described in items (i) through (iii) of subparagraph (C)
14 of this paragraph (1) over the annual percentage targets
15 described in this subparagraph (B).

16 For the delivery year beginning June 1, 2017, the
17 procurement plan shall include cost-effective renewable
18 energy resources equal to at least 13% of each utility's
19 load for eligible retail customers and 13% of the
20 applicable portion of each utility's load for retail
21 customers who are not eligible retail customers, which
22 applicable portion shall equal 50% of the utility's load
23 for retail customers who are not eligible retail customers
24 on February 28, 2017.

25 For the delivery year beginning June 1, 2018, the
26 procurement plan shall include cost-effective renewable

1 energy resources equal to at least 14.5% of each utility's
2 load for eligible retail customers and 14.5% of the
3 applicable portion of each utility's load for retail
4 customers who are not eligible retail customers, which
5 applicable portion shall equal 75% of the utility's load
6 for retail customers who are not eligible retail customers
7 on February 28, 2017.

8 For the delivery year beginning June 1, 2019, and for
9 each year thereafter, the procurement plans shall include
10 cost-effective renewable energy resources equal to a
11 minimum percentage of each utility's load for all retail
12 customers as follows: 16% by June 1, 2019; increasing by
13 1.5% each year thereafter to 25% by June 1, 2025; and 25%
14 by June 1, 2026 and each year thereafter.

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

22 (C) Of the renewable energy credits procured under
23 this subsection (c), at least 75% shall come from wind and
24 photovoltaic projects. The long-term renewable resources
25 procurement plan described in subparagraph (A) of this
26 paragraph (1) shall include the procurement of renewable

1 energy credits in amounts equal to at least the following:

2 (i) By the end of the 2020 delivery year:

3 At least 2,000,000 renewable energy credits
4 for each delivery year shall come from new wind
5 projects; and

6 At least 2,000,000 renewable energy credits
7 for each delivery year shall come from new
8 photovoltaic projects; of that amount, to the
9 extent possible, the Agency shall procure: at
10 least 50% from solar photovoltaic projects using
11 the program outlined in subparagraph (K) of this
12 paragraph (1) from distributed renewable energy
13 generation devices or community renewable
14 generation projects; at least 40% from
15 utility-scale solar projects; at least 2% from
16 brownfield site photovoltaic projects that are not
17 community renewable generation projects; and the
18 remainder shall be determined through the
19 long-term planning process described in
20 subparagraph (A) of this paragraph (1).

21 (ii) By the end of the 2025 delivery year:

22 At least 3,000,000 renewable energy credits
23 for each delivery year shall come from new wind
24 projects; and

25 At least 3,000,000 renewable energy credits
26 for each delivery year shall come from new

1 photovoltaic projects; of that amount, to the
2 extent possible, the Agency shall procure: at
3 least 50% from solar photovoltaic projects using
4 the program outlined in subparagraph (K) of this
5 paragraph (1) from distributed renewable energy
6 devices or community renewable generation
7 projects; at least 40% from utility-scale solar
8 projects; at least 2% from brownfield site
9 photovoltaic projects that are not community
10 renewable generation projects; and the remainder
11 shall be determined through the long-term planning
12 process described in subparagraph (A) of this
13 paragraph (1).

14 (iii) By the end of the 2030 delivery year:

15 At least 4,000,000 renewable energy credits
16 for each delivery year shall come from new wind
17 projects; and

18 At least 4,000,000 renewable energy credits
19 for each delivery year shall come from new
20 photovoltaic projects; of that amount, to the
21 extent possible, the Agency shall procure: at
22 least 50% from solar photovoltaic projects using
23 the program outlined in subparagraph (K) of this
24 paragraph (1) from distributed renewable energy
25 devices or community renewable generation
26 projects; at least 40% from utility-scale solar

1 projects; at least 2% from brownfield site
2 photovoltaic projects that are not community
3 renewable generation projects; and the remainder
4 shall be determined through the long-term planning
5 process described in subparagraph (A) of this
6 paragraph (1).

7 For purposes of this Section:

8 "New wind projects" means wind renewable
9 energy facilities that are energized after June 1,
10 2017 for the delivery year commencing June 1, 2017
11 or within 3 years after the date the Commission
12 approves contracts for subsequent delivery years.

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

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

20 For purposes of this subsection (c), "cost effective"
21 means that the costs of procuring renewable energy
22 resources do not cause the limit stated in subparagraph
23 (E) of this paragraph (1) to be exceeded and, for
24 renewable energy credits procured through a competitive
25 procurement event, do not exceed benchmarks based on
26 market prices for like products in the region. For

1 purposes of this subsection (c), "like products" means
2 contracts for renewable energy credits from the same or
3 substantially similar technology, same or substantially
4 similar vintage (new or existing), the same or
5 substantially similar quantity, and the same or
6 substantially similar contract length and structure.
7 Benchmarks shall be developed by the procurement
8 administrator, in consultation with the Commission staff,
9 Agency staff, and the procurement monitor and shall be
10 subject to Commission review and approval. If price
11 benchmarks for like products in the region are not
12 available, the procurement administrator shall establish
13 price benchmarks based on publicly available data on
14 regional technology costs and expected current and future
15 regional energy prices. The benchmarks in this Section
16 shall not be used to curtail or otherwise reduce
17 contractual obligations entered into by or through the
18 Agency prior to June 1, 2017 (the effective date of Public
19 Act 99-906).

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

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

15 Notwithstanding the requirements of this subsection
16 (c), the total of renewable energy resources procured
17 under the procurement plan for any single year shall be
18 subject to the limitations of this subparagraph (E). Such
19 procurement shall be reduced for all retail customers
20 based on the amount necessary to limit the annual
21 estimated average net increase due to the costs of these
22 resources included in the amounts paid by eligible retail
23 customers in connection with electric service to no more
24 than the greater of 2.015% of the amount paid per
25 kilowatthour by those customers during the year ending May
26 31, 2007 or the incremental amount per kilowatthour paid

1 for these resources in 2011. To arrive at a maximum dollar
2 amount of renewable energy resources to be procured for
3 the particular delivery year, the resulting per
4 kilowatthour amount shall be applied to the actual amount
5 of kilowatthours of electricity delivered, or applicable
6 portion of such amount as specified in paragraph (1) of
7 this subsection (c), as applicable, by the electric
8 utility in the delivery year immediately prior to the
9 procurement to all retail customers in its service
10 territory. The calculations required by this subparagraph
11 (E) shall be made only once for each delivery year at the
12 time that the renewable energy resources are procured.
13 Once the determination as to the amount of renewable
14 energy resources to procure is made based on the
15 calculations set forth in this subparagraph (E) and the
16 contracts procuring those amounts are executed, no
17 subsequent rate impact determinations shall be made and no
18 adjustments to those contract amounts shall be allowed.
19 All costs incurred under such contracts shall be fully
20 recoverable by the electric utility as provided in this
21 Section.

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

1 subsection (c) regarding renewable energy credits in the
2 following order:

3 (i) renewable energy credits under existing
4 contractual obligations;

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

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

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

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

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

1, 2019, if available, but not later than June 1, 2021, unless the project has delays in the establishment of an operating interconnection with the applicable transmission or distribution system as a result of the actions or inactions of the transmission or distribution provider, or other causes for force majeure as outlined in the procurement contract, in which case, not later than June 1, 2022. Payments to suppliers of renewable energy credits shall commence upon delivery. Renewable energy credits procured under this initial procurement shall be included in the Agency's long-term plan and shall apply to all renewable energy goals in this subsection (c).

(ii) Notwithstanding whether a long-term renewable resources procurement plan has been approved, the Agency shall conduct an initial forward procurement for renewable energy credits from new utility-scale solar projects and brownfield site photovoltaic projects within one year after June 1, 2017 (the effective date of Public Act 99-906). For the purposes of this initial forward procurement, the Agency shall solicit 15-year contracts for delivery of 1,000,000 renewable energy credits delivered annually from new utility-scale solar projects and brownfield site photovoltaic projects to begin delivery on June 1, 2019, if available, but not later than June 1, 2021,

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

15 (iii) Subsequent forward procurements for
16 utility-scale wind projects shall solicit at least
17 1,000,000 renewable energy credits delivered annually
18 per procurement event and shall be planned, scheduled,
19 and designed such that the cumulative amount of
20 renewable energy credits delivered from all new wind
21 projects in each delivery year shall not exceed the
22 Agency's projection of the cumulative amount of
23 renewable energy credits that will be delivered from
24 all new photovoltaic projects, including utility-scale
25 and distributed photovoltaic devices, in the same
26 delivery year at the time scheduled for wind contract

1 delivery.

2 (iv) If, at any time after the time set for
3 delivery of renewable energy credits pursuant to the
4 initial procurements in items (i) and (ii) of this
5 subparagraph (G), the cumulative amount of renewable
6 energy credits projected to be delivered from all new
7 wind projects in a given delivery year exceeds the
8 cumulative amount of renewable energy credits
9 projected to be delivered from all new photovoltaic
10 projects in that delivery year by 200,000 or more
11 renewable energy credits, then the Agency shall within
12 60 days adjust the procurement programs in the
13 long-term renewable resources procurement plan to
14 ensure that the projected cumulative amount of
15 renewable energy credits to be delivered from all new
16 wind projects does not exceed the projected cumulative
17 amount of renewable energy credits to be delivered
18 from all new photovoltaic projects by 200,000 or more
19 renewable energy credits, provided that nothing in
20 this Section shall preclude the projected cumulative
21 amount of renewable energy credits to be delivered
22 from all new photovoltaic projects from exceeding the
23 projected cumulative amount of renewable energy
24 credits to be delivered from all new wind projects in
25 each delivery year and provided further that nothing
26 in this item (iv) shall require the curtailment of an

1 executed contract. The Agency shall update, on a
2 quarterly basis, its projection of the renewable
3 energy credits to be delivered from all projects in
4 each delivery year. Notwithstanding anything to the
5 contrary, the Agency may adjust the timing of
6 procurement events conducted under this subparagraph
7 (G). The long-term renewable resources procurement
8 plan shall set forth the process by which the
9 adjustments may be made.

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

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

24 (i) Within 45 days after June 1, 2017 (the
25 effective date of Public Act 99-906), an alternative
26 retail electric supplier or its successor shall submit

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

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

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

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

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

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

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

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

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

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

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

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

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

1 goals to limit carbon dioxide emissions under federal or
2 State law, and contributing to a cleaner and healthier
3 environment for the citizens of this State. In order to
4 further these legislative purposes, renewable energy
5 credits shall be eligible to be counted toward the
6 renewable energy requirements of this subsection (c) if
7 they are generated from facilities located in this State.
8 The Agency may qualify renewable energy credits from
9 facilities located in states adjacent to Illinois if the
10 generator demonstrates and the Agency determines that the
11 operation of such facility or facilities will help promote
12 the State's interest in the health, safety, and welfare of
13 its residents based on the public interest criteria
14 described above. To ensure that the public interest
15 criteria are applied to the procurement and given full
16 effect, the Agency's long-term procurement plan shall
17 describe in detail how each public interest factor shall
18 be considered and weighted for facilities located in
19 states adjacent to Illinois.

20 (J) In order to promote the competitive development of
21 renewable energy resources in furtherance of the State's
22 interest in the health, safety, and welfare of its
23 residents, renewable energy credits shall not be eligible
24 to be counted toward the renewable energy requirements of
25 this subsection (c) if they are sourced from a generating
26 unit whose costs were being recovered through rates

1 regulated by this State or any other state or states on or
2 after January 1, 2017. Each contract executed to purchase
3 renewable energy credits under this subsection (c) shall
4 provide for the contract's termination if the costs of the
5 generating unit supplying the renewable energy credits
6 subsequently begin to be recovered through rates regulated
7 by this State or any other state or states; and each
8 contract shall further provide that, in that event, the
9 supplier of the credits must return 110% of all payments
10 received under the contract. Amounts returned under the
11 requirements of this subparagraph (J) shall be retained by
12 the utility and all of these amounts shall be used for the
13 procurement of additional renewable energy credits from
14 new wind or new photovoltaic resources as defined in this
15 subsection (c). The long-term plan shall provide that
16 these renewable energy credits shall be procured in the
17 next procurement event.

18 Notwithstanding the limitations of this subparagraph
19 (J), renewable energy credits sourced from generating
20 units that are constructed, purchased, owned, or leased by
21 an electric utility as part of an approved project,
22 program, or pilot under Section 1-56 of this Act shall be
23 eligible to be counted toward the renewable energy
24 requirements of this subsection (c), regardless of how the
25 costs of these units are recovered.

26 (K) The long-term renewable resources procurement plan

1 developed by the Agency in accordance with subparagraph
2 (A) of this paragraph (1) shall include an Adjustable
3 Block program for the procurement of renewable energy
4 credits from new photovoltaic projects that are
5 distributed renewable energy generation devices or new
6 photovoltaic community renewable generation projects. The
7 Adjustable Block program shall be designed to provide a
8 transparent schedule of prices and quantities to enable
9 the photovoltaic market to scale up and for renewable
10 energy credit prices to adjust at a predictable rate over
11 time. The prices set by the Adjustable Block program can
12 be reflected as a set value or as the product of a formula.

13 The Adjustable Block program shall include for each
14 category of eligible projects: a schedule of standard
15 block purchase prices to be offered; a series of steps,
16 with associated nameplate capacity and purchase prices
17 that adjust from step to step; and automatic opening of
18 the next step as soon as the nameplate capacity and
19 available purchase prices for an open step are fully
20 committed or reserved. Only projects energized on or after
21 June 1, 2017 shall be eligible for the Adjustable Block
22 program. For each block group the Agency shall determine
23 the number of blocks, the amount of generation capacity in
24 each block, and the purchase price for each block,
25 provided that the purchase price provided and the total
26 amount of generation in all blocks for all block groups

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

16 The Adjustable Block program shall include at least
17 the following block groups in at least the following
18 amounts, which may be adjusted upon review by the Agency
19 and approval by the Commission as described in this
20 subparagraph (K):

21 (i) At least 25% from distributed renewable energy
22 generation devices with a nameplate capacity of no
23 more than 10 kilowatts.

24 (ii) At least 25% from distributed renewable
25 energy generation devices with a nameplate capacity of
26 more than 10 kilowatts and no more than 2,000

1 kilowatts. The Agency may create sub-categories within
2 this category to account for the differences between
3 projects for small commercial customers, large
4 commercial customers, and public or non-profit
5 customers.

6 (iii) At least 25% from photovoltaic community
7 renewable generation projects.

8 (iv) The remaining 25% shall be allocated as
9 specified by the Agency in the long-term renewable
10 resources procurement plan.

11 The Adjustable Block program shall be designed to
12 ensure that renewable energy credits are procured from
13 photovoltaic distributed renewable energy generation
14 devices and new photovoltaic community renewable energy
15 generation projects in diverse locations and are not
16 concentrated in a few geographic areas.

17 (L) The procurement of photovoltaic renewable energy
18 credits under items (i) through (iv) of subparagraph (K)
19 of this paragraph (1) shall be subject to the following
20 contract and payment terms:

21 (i) The Agency shall procure contracts of at least
22 15 years in length.

23 (ii) For those renewable energy credits that
24 qualify and are procured under item (i) of
25 subparagraph (K) of this paragraph (1), the renewable
26 energy credit purchase price shall be paid in full by

1 the contracting utilities at the time that the
2 facility producing the renewable energy credits is
3 interconnected at the distribution system level of the
4 utility and energized. The electric utility shall
5 receive and retire all renewable energy credits
6 generated by the project for the first 15 years of
7 operation.

8 (iii) For those renewable energy credits that
9 qualify and are procured under item (ii) and (iii) of
10 subparagraph (K) of this paragraph (1) and any
11 additional categories of distributed generation
12 included in the long-term renewable resources
13 procurement plan and approved by the Commission, 20
14 percent of the renewable energy credit purchase price
15 shall be paid by the contracting utilities at the time
16 that the facility producing the renewable energy
17 credits is interconnected at the distribution system
18 level of the utility and energized. The remaining
19 portion shall be paid ratably over the subsequent
20 4-year period. The electric utility shall receive and
21 retire all renewable energy credits generated by the
22 project for the first 15 years of operation.

23 (iv) Each contract shall include provisions to
24 ensure the delivery of the renewable energy credits
25 for the full term of the contract.

26 (v) The utility shall be the counterparty to the

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

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

17 (vii) Nothing in this Section shall require the
18 utility to advance any payment or pay any amounts that
19 exceed the actual amount of revenues collected by the
20 utility under paragraph (6) of this subsection (c) and
21 subsection (k) of Section 16-108 of the Public
22 Utilities Act, and contracts executed under this
23 Section shall expressly incorporate this limitation.

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

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

13 The Agency and its consultant or consultants shall
14 monitor block activity, share program activity with
15 stakeholders and conduct regularly scheduled meetings to
16 discuss program activity and market conditions. If
17 necessary, the Agency may make prospective administrative
18 adjustments to the Adjustable Block program design, such
19 as redistributing available funds or making adjustments to
20 purchase prices as necessary to achieve the goals of this
21 subsection (c). Program modifications to any price,
22 capacity block, or other program element that do not
23 deviate from the Commission's approved value by more than
24 25% shall take effect immediately and are not subject to
25 Commission review and approval. Program modifications to
26 any price, capacity block, or other program element that

1 deviate more than 25% from the Commission's approved value
2 must be approved by the Commission as a long-term plan
3 amendment under Section 16-111.5 of the Public Utilities
4 Act. The Agency shall consider stakeholder feedback when
5 making adjustments to the Adjustable Block design and
6 shall notify stakeholders in advance of any planned
7 changes.

8 (N) The long-term renewable resources procurement plan
9 required by this subsection (c) shall include a community
10 renewable generation program. The Agency shall establish
11 the terms, conditions, and program requirements for
12 community renewable generation projects with a goal to
13 expand renewable energy generating facility access to a
14 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. Any plan
18 approved by the Commission shall allow subscriptions to
19 community renewable generation projects to be portable and
20 transferable. For purposes of this subparagraph (N),
21 "portable" means that subscriptions may be retained by the
22 subscriber even if the subscriber relocates or changes its
23 address within the same utility service territory; and
24 "transferable" means that a subscriber may assign or sell
25 subscriptions to another person within the same utility
26 service territory.

1 Electric utilities shall provide a monetary credit to
2 a subscriber's subsequent bill for service for the
3 proportional output of a community renewable generation
4 project attributable to that subscriber as specified in
5 Section 16-107.5 of the Public Utilities Act.

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

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

26 (O) For the delivery year beginning June 1, 2018, the

1 long-term renewable resources procurement plan required by
2 this subsection (c) shall provide for the Agency to
3 procure contracts to continue offering the Illinois Solar
4 for All Program described in subsection (b) of Section
5 1-56 of this Act, and the contracts approved by the
6 Commission shall be executed by the utilities that are
7 subject to this subsection (c). The long-term renewable
8 resources procurement plan shall allocate 5% of the funds
9 available under the plan for the applicable delivery year,
10 or \$10,000,000 per delivery year, whichever is greater, to
11 fund the programs, and the plan shall determine the amount
12 of funding to be apportioned to the programs identified in
13 subsection (b) of Section 1-56 of this Act; provided that
14 for the delivery years beginning June 1, 2017, June 1,
15 2021, and June 1, 2025, the long-term renewable resources
16 procurement plan shall allocate 10% of the funds available
17 under the plan for the applicable delivery year, or
18 \$20,000,000 per delivery year, whichever is greater, and
19 \$10,000,000 of such funds in such year shall be used by an
20 electric utility that serves more than 3,000,000 retail
21 customers in the State to implement a Commission-approved
22 plan under Section 16-108.12 of the Public Utilities Act.
23 In making the determinations required under this
24 subparagraph (O), the Commission shall consider the
25 experience and performance under the programs and any
26 evaluation reports. The Commission shall also provide for

1 an independent evaluation of those programs on a periodic
2 basis that are funded under this subparagraph (O).

3 (2) (Blank).

4 (3) (Blank).

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

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

1 spending on the purchase of renewable energy resources to
2 be procured by the electric utility for the next plan year
3 by an amount equal to the amounts collected by the utility
4 under the alternative compliance payment rate or rates in
5 the prior year ending May 31.

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

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

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

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

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

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

1 procured pursuant to subsection (c) of this Section. The
2 procurement of renewable energy credits by electric
3 utilities pursuant to this subsection (c-5) shall be
4 funded solely by revenues collected from the Coal to Solar
5 and Energy Storage Initiative Charge provided for in this
6 subsection (c-5) and subsection (i-5) of Section 16-108 of
7 the Public Utilities Act, shall not be funded by revenues
8 collected through any of the other funding mechanisms
9 provided for in subsection (c) of this Section, shall not
10 be subject to the limitation imposed by subsection (c) on
11 charges to retail customers for costs to procure renewable
12 energy resources pursuant to subsection (c), and shall not
13 be subject to any other requirements or limitations of
14 subsection (c).

15 (2) No later than October 31, 2021, the Agency shall
16 conduct a procurement event to select owners of electric
17 generating facilities meeting the eligibility criteria
18 specified in this subsection (c-5) to enter into long-term
19 contracts to sell renewable energy credits to electric
20 utilities that served more than 300,000 retail customers
21 in this State as of January 1, 2019. The Agency shall
22 establish and announce a time period, which shall begin no
23 later than 30 days prior to the scheduled date for the
24 procurement event, during which applicants may submit
25 applications to be selected as suppliers of renewable
26 energy credits pursuant to this subsection (c-5). The

1 eligibility criteria for selection as a supplier of
2 renewable energy credits pursuant to this subsection (c-5)
3 shall be as follows:

4 (A) The applicant owns an electric generating
5 facility located in this State and south of federal
6 Interstate Highway 80 that (i) as of January 1, 2019,
7 burned coal as its primary fuel to generate
8 electricity and (ii) has, or had prior to retirement,
9 an electric generating capacity of at least 150
10 megawatts. The electric generating facility can be
11 either (i) retired as of October 31, 2021, or (ii)
12 still operating as of October 31, 2021.

13 (B) The applicant is not (i) a public utility as
14 defined in Section 3-105 of the Public Utilities Act,
15 (ii) an electric cooperative as defined in Section
16 3-119 of the Public Utilities Act, or (iii) an entity
17 described in paragraph (1) of subsection (b) of
18 Section 3-105 of the Public Utilities Act, or an
19 association or consortium of or an entity owned by
20 entities described in (ii) or (iii).

21 (C) The applicant proposes and commits to
22 construct and operate, at the site, or on property
23 adjacent to the existing property, of the electric
24 generating facility identified in paragraph (A): (i) a
25 new renewable energy resource of at least 20 megawatts
26 but no more than 100 megawatts of electric generating

1 capacity; and (ii) an energy storage facility to be
2 operated in conjunction with the new renewable energy
3 resource and having a storage capacity of at least 2
4 megawatts and at most 10 megawatts.

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

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

25 (F) The applicant commits to enter into a contract
26 or contracts of 15 years duration to provide a

1 specified number of renewable energy credits to
2 electric utilities that served more than 300,000
3 retail customers in this State as of January 1, 2019 at
4 a price of \$35 per renewable energy credit.

5 (G) The applicant's application is certified by an
6 officer of the applicant and by an officer of the
7 applicant's ultimate parent company, if any.

8 (3) An applicant may submit applications to contract
9 to supply renewable energy credits from more than one new
10 renewable energy resource to be constructed at or adjacent
11 to more than one qualifying electric generating facility
12 site owned by the applicant. The Agency may select new
13 renewable energy resources to be located at or adjacent to
14 the sites of more than one qualifying electric generating
15 facility owned by an applicant to contract with electric
16 utilities to supply renewable energy credits from such
17 facilities.

18 (4) The Agency shall assess fees to each applicant to
19 recover the Agency's costs incurred in receiving and
20 evaluating applications, conducting the procurement event,
21 developing contracts for sale, delivery, and purchase of
22 renewable energy credits, and monitoring the
23 administration of such contracts, as provided for in this
24 subsection (c-5), including fees paid to a procurement
25 administrator retained by the Agency for one or more of
26 these purposes.

1 (5) The Agency shall select the applicants and the new
2 renewable energy resources to contract with electric
3 utilities to supply renewable energy credits in accordance
4 with this subsection (c-5). The Agency shall select
5 applicants and new renewable energy resources to supply
6 renewable energy credits aggregating to no less than
7 400,000 renewable energy credits per year for 15 years,
8 assuming sufficient qualifying applications to supply at
9 least that amount of renewable energy credits per year;
10 and no more than 600,000 renewable energy credits per year
11 for 15 years. The obligation to purchase renewable energy
12 credits from the applicants and their new renewable energy
13 resources selected by the Agency shall be allocated to
14 electric utilities as follows: (i) electric utilities
15 serving more than 1,000,000 retail customers in this State
16 shall be required to contract to purchase 70%, and
17 electric utilities serving more than 300,000 but less than
18 1,000,000 retail customers in this State shall be required
19 to contract to purchase 30 %, of the renewable energy
20 credits from the applicants and the new renewable energy
21 resources selected by the Agency. In order to achieve
22 these allocation percentages between or among the electric
23 utilities, the Agency may require an applicant to enter
24 into contracts with more than one electric utility for the
25 sale and purchase of renewable energy credits from a new
26 renewable energy resource to be constructed and operated

1 by the applicant, with the sale and purchase obligations
2 under the contracts to aggregate to the total number of
3 renewable energy credits per year to be supplied by the
4 applicant from such new renewable energy resource. The
5 Agency shall submit its proposed selection of applicants,
6 new renewable energy resources to be constructed, and
7 renewable energy credit amounts, to the Commission for
8 approval. The Commission shall, within 2 business days
9 after receipt of the Agency's proposed selections, approve
10 the proposed selections if it determines that the
11 applicants and the new renewable energy resources to be
12 constructed meet the selection criteria set forth in this
13 subsection (c-5) and that the Agency proposes to select
14 applicants for contracts aggregating to no more than
15 600,000 renewable energy credits per year for 15 years.

16 (6) The Agency, in conjunction with its procurement
17 administrator if one is retained, the electric utilities,
18 and potential applicants for contracts to produce and
19 supply renewable energy credits pursuant to this
20 subsection (c-5) shall develop a standard form contract
21 for the sale, delivery and purchase of renewable energy
22 credits pursuant to this subsection (c-5). The contracts
23 shall provide for commercial operation dates for the new
24 renewable energy resources such that (i) the new renewable
25 energy resources from which approximately 50% of the
26 renewable energy credits are contracted will be required

1 to achieve commercial operation by June 1, 2023, and will
2 receive payments for renewable energy credits for the
3 15-year period beginning June 1, 2023, and (ii) the new
4 renewable energy resources from which the remainder of the
5 renewable energy credits are contracted will be required
6 to achieve commercial operation by June 1, 2024, and will
7 receive payments for renewable energy credits for the
8 15-year period beginning June 1, 2024, with such dates
9 subject to adjustment as provided in the this paragraph.
10 The form contract shall provide for adjustments to the
11 commercial operation and payment start dates as needed due
12 to any delays in completing the procurement and
13 contracting processes, in finalizing interconnection
14 agreements and installing interconnection facilities, and
15 in obtaining other necessary governmental permits and
16 approvals. The form contract shall be, to the maximum
17 extent possible, consistent with standard electric
18 industry contracts for sale, delivery, and purchase of
19 renewable energy credits while taking into account the
20 specific requirements of this subsection (c-5). The form
21 contract shall provide for over-delivery and
22 under-delivery of renewable energy credits within
23 reasonable ranges during each 12-month period and penalty,
24 default, and enforcement provisions for failure of the
25 selling party to deliver renewable energy credits as
26 specified in the contract and to comply with the

1 requirements of this subsection (c-5). The standard form
2 contract shall specify that all renewable energy credits
3 delivered to the electric utility pursuant to the contract
4 shall be retired. The Agency shall make the proposed
5 contracts available for a reasonable period for comment by
6 potential applicants, and shall publish the final form
7 contract at least 30 days before the date of the
8 procurement event.

9 (7) Coal to Solar and Energy Storage Initiative
10 Charge.

11 (A) Within 30 days following the effective date of
12 this amendatory Act of the 102nd General Assembly,
13 each electric utility that served more than 300,000
14 retail customers in this State as of January 1, 2019
15 shall file a tariff for the billing and collection of a
16 Coal to Solar and Energy Storage Initiative Charge in
17 accordance with subsection (i-5) of Section 16-108 of
18 the Public Utilities Act. The electric utility's
19 tariff shall provide for the billing and collection of
20 the Coal to Solar and Energy Storage Initiative Charge
21 on each kilowatthour of electricity delivered to its
22 delivery services customers within its service
23 territory of (i) 0.072 cents per kilowatthour from the
24 effective date of the tariff through December 31,
25 2024, (ii) 0.055 cents per kilowatthour from January
26 1, 2025 through December 31, 2025, (iii) 0.030 cents

1 per kilowatthour from January 1, 2026 through December
2 31, 2033, (iv) 0.024 cents per kilowatthour from
3 January 1, 2034 through December 31, 2034, (v) 0.018
4 cents per kilowatthour from January 1, 2035 through
5 December 31, 2037, and (vi) 0.009 cents per
6 kilowatthour from January 1, 2038 through December 31
7 of the year in which the last renewable energy credit
8 sale and purchase contract entered into pursuant to
9 this subsection (c-5) terminates.

10 (B) Each electric utility shall remit, on a
11 monthly basis, to the State Treasurer for deposit into
12 the Coal to Solar and Energy Storage Incentive and
13 Plant Transition Fund provided for in this subsection
14 (c-5), 100% of its collections of the Coal to Solar and
15 Energy Storage Initiative Charge, less, beginning
16 March 1, 2023, sufficient funds for the electric
17 utility to make its estimated next 3 monthly payments
18 for renewable energy credits pursuant to contracts
19 entered into pursuant to this subsection (c-5).
20 Provided, that if as of May 31 of any year beginning
21 January 1, 2025 or thereafter, an electric utility
22 holds Coal to Solar and Energy Storage Initiative
23 Charge collections greater than 110% of its projected
24 payment obligations under such contracts for the
25 following 6 months, the electric utility shall refund
26 one-half of such excess collections to its delivery

1 services customers on a uniform cents per kilowatthour
2 basis over a 6-month period, in accordance with a
3 procedure specified in its Coal to Solar and Energy
4 Storage Initiative Charge tariff.

5 (8) Coal to Solar and Energy Storage Incentive and
6 Plant Transition Fund.

7 (A) The Coal to Solar and Energy Storage Incentive
8 and Plant Transition Fund is established as a special
9 fund in the State treasury. The Coal to Solar and
10 Energy Storage Incentive and Plant Transition Fund is
11 authorized to receive, by statutory deposit, that
12 portion specified in item (B) of paragraph (7) of this
13 subsection (c-5) of moneys collected by electric
14 utilities through imposition of the Coal to Solar and
15 Energy Storage Initiative Charge required by this
16 subsection (c-5). The Coal to Solar and Energy Storage
17 Incentive and Plant Transition Fund shall be
18 administered by the Illinois Department of Commerce
19 and Economic Opportunity, which shall be referred to
20 in this subsection (c-5) as the Department, to provide
21 transitional support funding to coal-fueled electric
22 generating facilities in this State owned by an
23 applicant, or by a company with a common parent
24 company as an applicant, that has been selected by the
25 Agency to enter into a contract or contracts to sell
26 renewable energy credits from a new renewable energy

1 resource to an electric utility in accordance with
2 this subsection (c-5).

3 (B) The objective of the transitional support
4 funding provided for in this paragraph (8) is to
5 assist and enable qualifying electric generating
6 facilities in this State to remain in operation during
7 the period from the effective date of this amendatory
8 Act of the 102nd General Assembly through May 31,
9 2025, in order to ensure that adequate electric
10 generating resources are available in this State
11 through that date, while the State's portfolio of
12 renewable energy resources is being expanded, and to
13 provide a transition period for the communities in
14 which qualifying electric generating facilities are
15 located prior to the retirement of the qualifying
16 electric generating facilities.

17 (C) The Coal to Solar and Energy Storage Incentive
18 and Plant Transition Fund shall not be subject to
19 sweeps, administrative charges, or chargebacks,
20 including, but not limited to, those authorized under
21 Section 8h of the State Finance Act, that would in any
22 way result in the transfer of those funds from the Coal
23 to Solar and Energy Storage Incentive and Plant
24 Transition Fund to any other fund of this State or in
25 having any such funds used for any purpose other than
26 the express purposes set forth in this paragraph (8)

1 of subsection (c-5).

2 (D) The Department shall provide grants of
3 transitional support funding from the Coal to Solar
4 and Energy Storage Incentive and Plant Transition Fund
5 to owners of qualifying electric generating facilities
6 in this State that meet the criteria specified in this
7 paragraph (8) of subsection (c-5), for the period
8 January 1, 2022 through May 31, 2025, in aggregate
9 amounts not exceeding \$75,000,000 in each calendar
10 year 2022 through 2024 and \$31,000,000 for the period
11 January 1, 2025 through May 31, 2025, for grants in
12 respect of 2,200 megawatts of electric generating
13 capacity. The amount of transitional support funding
14 granted to the owner of a qualifying electric
15 generating facility for a calendar year shall be equal
16 to the product of (i) \$93 less the clearing price per
17 megawatt-day in the Planning Resource Auction of the
18 Midcontinent Independent System Operator, Inc., which
19 shall be referred to in this subparagraph (D) as MISO,
20 held in the preceding calendar year (but not less than
21 \$0), times (ii) the megawatts of electric generating
22 capacity of the qualifying electric generating
23 facility, times (iii) 365, which the General Assembly
24 finds is an amount that should enable a qualifying
25 electric generating facility to recover its annual
26 cost of service; provided, (1) that for the period

1 January 1, 2025 through May 31, 2025, the amount of
2 transitional support funding granted to the owner of a
3 qualifying electric generating facility shall be equal
4 to the product of (i) \$93 less the clearing price per
5 megawatt-day in the Planning Resource Auction of the
6 MISO held in the preceding calendar year (but not less
7 than \$0), times (ii) the megawatts of electric
8 generating capacity of the qualifying electric
9 generating facility, times (iii) 151; and provided
10 further that for each calendar year 2022 through 2024
11 and for the period January 31, 2025 through May 31,
12 2025, the owner may request that a lower number of
13 megawatts than the full rated generating capacity of
14 an electric generating facility be used to calculate
15 the amount of transitional support funding provided to
16 that electric generating facility for such period. For
17 avoidance of doubt and by way of example, if grants of
18 transitional support funding for 2,200 megawatts of
19 electric generating capacity of qualifying electric
20 generating facilities are made for a calendar year and
21 the clearing price in the MISO Planning Resource
22 Auction for the preceding calendar year equaled \$50
23 per megawatt-day, the aggregate amount of the grants
24 of transitional support funding for the calendar year
25 would be \$34,529,000. If the clearing price in the
26 MISO Planning Resource Auction in the preceding

1 calendar year is equal to or greater than \$93 per
2 megawatt-day, no transition support funding shall be
3 paid for the current year.

4 (E) The grant amounts shall be paid to the
5 recipients on a quarterly basis with payments to be
6 made on May 31, August 31, November 30, and February 28
7 for the immediately preceding calendar quarter, with
8 the final payment for the period April 1, 2025 through
9 May 31, 2025, to be made on July 31, 2025, in each case
10 subject to the availability of sufficient funds in the
11 Coal to Solar and Energy Storage Incentive and Plant
12 Transition Fund, with any shortfall in a payment to be
13 added to the payment due for the period immediately
14 following. No grant payments for transitional support
15 funding shall be made to the owner of a qualifying
16 electric generating facility in respect of any period
17 subsequent to the retirement date of the electric
18 generating facility.

19 (F) The qualifications for a grant of transitional
20 support funding from the Coal to Solar and Energy
21 Storage Incentive and Plant Transition Fund for an
22 electric generating facility are as follows: (i) the
23 electric generating facility is located in this State
24 south of federal Interstate Highway 80, but is not
25 directly interconnected to an electric utility located
26 within the PJM Interconnection, LLC independent system

1 operator region; (ii) the electric generating facility
2 has an electric generating capacity of at least 150
3 megawatts; (iii) the electric generating facility
4 burned coal as its primary source of fuel as of January
5 1, 2019; (iv) the electric generating facility either
6 is owned by an applicant that has been selected by the
7 Agency pursuant to this subsection (c-5) to enter into
8 a contract or contracts with one or more electric
9 utilities to deliver renewable energy credits from a
10 new renewable energy resource to be constructed at or
11 adjacent to an existing or retired electric generating
12 facility owned by the applicant, or is owned by a
13 company that has a common parent company with such an
14 applicant and has been designated by the applicant to
15 the Department as a candidate to receive a grant of
16 transitional support funding; and (v) the owner of the
17 electric generating facility commits, as a condition
18 to receiving the grant of transitional support
19 funding, to maintain the electric generating facility
20 in operation until at least May 31, 2025.

21 (G) If a coal-fueled electric generating facility
22 that is awarded a grant of transitional support
23 funding pursuant to this paragraph (8) and therefore
24 is designated pursuant to subparagraph (F) for
25 retirement no earlier than May 31, 2025, is required
26 (i) prior to May 31, 2025, to make capital

1 expenditures of at least \$5,000,000 in order to remain
2 in or attain compliance with any environmental law or
3 regulation, (ii) prior to May 31, 2025, to make
4 capital expenditures for purposes other than
5 environmental compliance of at least \$5,000,000 that
6 were neither known or reasonably foreseeable as of
7 September 1, 2021, or (iii) prior to May 31, 2025, to
8 retire or cease operations pursuant to an order or
9 approval of a court, regulatory agency, or
10 administrative body, consent decree, administrative
11 compliance order or agreement, or other similar
12 legally enforceable order or agreement, then such
13 coal-fueled electric generating facility may be
14 retired, (1) in the event of (i) or (ii) above, by
15 December 31 of the year prior to the year in which such
16 capital expenditures must be incurred, and (2) in the
17 event of (iii) above, by such date as required
18 pursuant to the applicable order or approval, consent
19 decree, administrative compliance order or agreement,
20 or other similar legally enforceable order or
21 agreement. Additionally, if the owner of the electric
22 generating facility does not receive a full grant
23 payment in accordance with the grant contract for 2
24 consecutive quarters for any reason other than
25 insufficient collections deposited into the Coal to
26 Solar and Energy Storage Incentive and Plant

1 Transition Fund to make the full quarterly grant
2 payment, the owner may forthwith retire the electric
3 generating facility. The owner of any coal-fueled
4 electric generating facility retired pursuant to this
5 paragraph shall receive no further grant payments of
6 transitional support funding in respect of that
7 facility for periods after its retirement date.

8 (H) An owner may receive a grant of transitional
9 support funding from the Coal to Solar and Energy
10 Storage Incentive and Plant Transition Fund for more
11 than one qualifying electric generating facility.

12 (I) The Department shall establish a schedule for
13 receiving and evaluating applications for grants of
14 transitional support funding from the Coal to Solar
15 and Energy Storage Incentive and Plant Transition
16 Fund. The schedule shall be consistent with the
17 schedule established by the Agency for receiving and
18 evaluating applications to be selected to enter into
19 contracts to sell renewable energy credits from new
20 renewable energy resources in accordance with this
21 subsection (c-5). The Department shall announce the
22 qualifying electric generating facilities that will
23 receive grants of transitional funding support from
24 the Coal to Solar and Energy Storage Incentive and
25 Plant Transition Fund no later than November 30, 2021.

26 (J) In addition to the grants for transitional

1 support funding provided for in this paragraph (8),
2 the Department shall utilize up to \$150,000,000 in the
3 Coal to Solar and Energy Storage Incentive and Plant
4 Transition Fund for grants, assuming sufficient
5 qualifying applicants, to support installation of
6 energy storage facilities at the sites of up to 5
7 electric generating facilities in Illinois that meet
8 the criteria set forth in this paragraph (J). The
9 criteria for receipt of a grant pursuant to this
10 paragraph (J) are as follows: (1) the site is located
11 south of federal Interstate Highway 80; (2) the
12 electric generating facility has, or had prior to
13 retirement, an electric generating capacity of at
14 least 150 megawatts; (3) the electric generating
15 facility burns (or burned prior to retirement) coal as
16 its primary source of fuel; (4) if the electric
17 generating facility is retired, it was retired
18 subsequent to July 1, 2011; (5) the electric
19 generating facility has not been selected by the
20 Agency pursuant to subsection (c-5) of this Section to
21 enter into a contract to sell renewable energy credits
22 to one or more electric utilities from a new renewable
23 energy resource located or to be located at or
24 adjacent to the site of the electric generating
25 facility; (6) the electric generating facility or the
26 site of the facility is not owned by (i) a public

1 utility as defined in Section 3-105 of the Public
2 Utilities Act, (ii) an electric cooperative as defined
3 in Section 3-119 of the Public Utilities Act, or (iii)
4 an entity described in paragraph (1) of subsection (b)
5 of Section 3-105 of the Public Utilities Act, or an
6 association or consortium of or an entity owned by
7 entities described in (ii) or (iii); (7) the proposed
8 energy storage facility at the site will have energy
9 storage capacity of at least 20 megawatts; (8) the
10 owner commits to place the energy storage facility
11 into commercial operation to begin service either by
12 June 1, 2024 or June 1, 2025, with such dates subject
13 to adjustment as needed due to any delays in
14 completing the grant contracting process, in
15 finalizing interconnection agreements and installing
16 interconnection facilities, and in obtaining necessary
17 governmental permits and approvals; (9) the owner
18 agrees that the new energy storage facility will be
19 constructed or installed by a qualified entity or
20 entities consistent with the requirements of
21 subsection (g) of Section 16-128A of the Public
22 Utilities Act and any rules adopted thereunder; and
23 (10) the owner agrees that personnel operating the
24 energy storage facility will have the requisite
25 skills, knowledge, training, experience, and
26 competence, which may be demonstrated by completion or

1 current participation and ultimate completion by
2 employees of an accredited or otherwise recognized
3 apprenticeship program for the employee's particular
4 craft, trade, or skill, including through training and
5 education courses and opportunities offered by the
6 owner to employees of the coal-fueled generating
7 facility being retired or by previous employment
8 experience performing the employee's particular work
9 skill or function. The Department shall accept
10 applications for this grant program until June 30,
11 2022, and shall announce the award of grants no later
12 than September 30, 2022. The Department shall make the
13 grant payments to a recipient in equal annual amounts
14 for 10 years July 1 next following the date the energy
15 storage facility is placed into commercial operation.
16 The annual grant payments to a qualifying energy
17 storage facility shall be \$110,000 per megawatt of
18 energy storage capacity, with total annual grant
19 payments pursuant to this paragraph (J) for qualifying
20 energy storage facilities not to exceed \$15,000,000.
21 Any uncommitted portion of the amount of funding set
22 aside by the Department for grants to support
23 installation of energy storage facilities pursuant to
24 this subparagraph (J) shall be used for grants of
25 transitional support funding in accordance with this
26 paragraph (8), to the extent needed.

1 (K) Grants of transitional support funding, and of
2 funding for energy storage facilities pursuant to
3 subparagraph (J) of this paragraph (8), from the Coal
4 to Solar and Energy Storage Incentive and Plant
5 Transition Fund shall be memorialized in grant
6 contracts between the Department and the recipient.

7 (L) All disbursements from the Coal to Solar and
8 Energy Storage Incentive and Plant Transition Fund
9 shall be made only upon warrants of the Comptroller
10 drawn upon the Treasurer as custodian of the Fund upon
11 vouchers signed by the Director of the Department or
12 by the person or persons designated by the Director of
13 the Department for that purpose. The Comptroller is
14 authorized to draw the warrants upon vouchers so
15 signed. The Treasurer shall accept all written
16 warrants so signed and shall be released from
17 liability for all payments made on those warrants.

18 (M) Beginning May 1, 2026, and May 1 of each year
19 thereafter, any amounts in the Coal to Solar and
20 Energy Storage Incentive and Plant Transition Fund
21 that exceed 110% of the amount needed to fund
22 contracted grant payments to support new energy
23 storage facilities pursuant to subparagraph (J) of
24 this paragraph (8) for such year shall be returned by
25 the Department to the electric utilities, in the same
26 proportion as the electric utilities' original

1 remittances for deposits into the Coal to Solar and
2 Energy Storage Incentive and Plant Transition Fund.
3 Each electric utility shall refund any such amounts it
4 receives to its delivery services customers on a
5 uniform cents per kilowatthour basis over a 6-month
6 period in accordance with procedures specified in the
7 electric utility's tariff for billing and collection
8 of the Coal to Solar and Energy Storage Initiative
9 Charge.

10 (d) Clean coal portfolio standard.

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

1 subsection (d) to be exceeded and do not exceed cost-based
2 benchmarks, which shall be developed to assess all
3 expenditures pursuant to such sourcing agreements covering
4 electricity generated by clean coal facilities, other than
5 the initial clean coal facility, by the procurement
6 administrator, in consultation with the Commission staff,
7 Agency staff, and the procurement monitor and shall be
8 subject to Commission review and approval.

9 A utility party to a sourcing agreement shall
10 immediately retire any emission credits that it receives
11 in connection with the electricity covered by such
12 agreement.

13 Utilities shall maintain adequate records documenting
14 the purchases under the sourcing agreement to comply with
15 this subsection (d) and shall file an accounting with the
16 load forecast that must be filed with the Agency by July 15
17 of each year, in accordance with subsection (d) of Section
18 16-111.5 of the Public Utilities Act.

19 A utility shall be deemed to have complied with the
20 clean coal portfolio standard specified in this subsection
21 (d) if the utility enters into a sourcing agreement as
22 required by this subsection (d).

23 (2) For purposes of this subsection (d), the required
24 execution of sourcing agreements with the initial clean
25 coal facility for a particular year shall be measured as a
26 percentage of the actual amount of electricity

1 (megawatt-hours) supplied by the electric utility to
2 eligible retail customers in the planning year ending
3 immediately prior to the agreement's execution. For
4 purposes of this subsection (d), the amount paid per
5 kilowatthour means the total amount paid for electric
6 service expressed on a per kilowatthour basis. For
7 purposes of this subsection (d), the total amount paid for
8 electric service includes without limitation amounts paid
9 for supply, transmission, distribution, surcharges and
10 add-on taxes.

11 Notwithstanding the requirements of this subsection
12 (d), the total amount paid under sourcing agreements with
13 clean coal facilities pursuant to the procurement plan for
14 any given year shall be reduced by an amount necessary to
15 limit the annual estimated average net increase due to the
16 costs of these resources included in the amounts paid by
17 eligible retail customers in connection with electric
18 service to:

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

22 (B) in 2011, the greater of an additional 0.5% of
23 the amount paid per kilowatthour by those customers
24 during the year ending May 31, 2010 or 1% of the amount
25 paid per kilowatthour by those customers during the
26 year ending May 31, 2009;

1 (C) in 2012, the greater of an additional 0.5% of
2 the amount paid per kilowatthour by those customers
3 during the year ending May 31, 2011 or 1.5% of the
4 amount paid per kilowatthour by those customers during
5 the year ending May 31, 2009;

6 (D) in 2013, the greater of an additional 0.5% of
7 the amount paid per kilowatthour by those customers
8 during the year ending May 31, 2012 or 2% of the amount
9 paid per kilowatthour by those customers during the
10 year ending May 31, 2009; and

11 (E) thereafter, the total amount paid under
12 sourcing agreements with clean coal facilities
13 pursuant to the procurement plan for any single year
14 shall be reduced by an amount necessary to limit the
15 estimated average net increase due to the cost of
16 these resources included in the amounts paid by
17 eligible retail customers in connection with electric
18 service to no more than the greater of (i) 2.015% of
19 the amount paid per kilowatthour by those customers
20 during the year ending May 31, 2009 or (ii) the
21 incremental amount per kilowatthour paid for these
22 resources in 2013, in each of cases (i) and (ii)
23 reduced by the amount of the Coal to Solar and Energy
24 Storage Incentive Charges provided for in subsection
25 (c-5) in effect during such year. These requirements
26 may be altered only as provided by statute.

1 No later than June 30, 2015, the Commission shall
2 review the limitation on the total amount paid under
3 sourcing agreements, if any, with clean coal facilities
4 pursuant to this subsection (d) and report to the General
5 Assembly its findings as to whether that limitation unduly
6 constrains the amount of electricity generated by
7 cost-effective clean coal facilities that is covered by
8 sourcing agreements.

9 (3) Initial clean coal facility. In order to promote
10 development of clean coal facilities in Illinois, each
11 electric utility subject to this Section shall execute a
12 sourcing agreement to source electricity from a proposed
13 clean coal facility in Illinois (the "initial clean coal
14 facility") that will have a nameplate capacity of at least
15 500 MW when commercial operation commences, that has a
16 final Clean Air Act permit on June 1, 2009 (the effective
17 date of Public Act 95-1027), and that will meet the
18 definition of clean coal facility in Section 1-10 of this
19 Act when commercial operation commences. The sourcing
20 agreements with this initial clean coal facility shall be
21 subject to both approval of the initial clean coal
22 facility by the General Assembly and satisfaction of the
23 requirements of paragraph (4) of this subsection (d) and
24 shall be executed within 90 days after any such approval
25 by the General Assembly. The Agency and the Commission
26 shall have authority to inspect all books and records

1 associated with the initial clean coal facility during the
2 term of such a sourcing agreement. A utility's sourcing
3 agreement for electricity produced by the initial clean
4 coal facility shall include:

5 (A) a formula contractual price (the "contract
6 price") approved pursuant to paragraph (4) of this
7 subsection (d), which shall:

8 (i) be determined using a cost of service
9 methodology employing either a level or deferred
10 capital recovery component, based on a capital
11 structure consisting of 45% equity and 55% debt,
12 and a return on equity as may be approved by the
13 Federal Energy Regulatory Commission, which in any
14 case may not exceed the lower of 11.5% or the rate
15 of return approved by the General Assembly
16 pursuant to paragraph (4) of this subsection (d);
17 and

18 (ii) provide that all miscellaneous net
19 revenue, including but not limited to net revenue
20 from the sale of emission allowances, if any,
21 substitute natural gas, if any, grants or other
22 support provided by the State of Illinois or the
23 United States Government, firm transmission
24 rights, if any, by-products produced by the
25 facility, energy or capacity derived from the
26 facility and not covered by a sourcing agreement

1 pursuant to paragraph (3) of this subsection (d)
2 or item (5) of subsection (d) of Section 16-115 of
3 the Public Utilities Act, whether generated from
4 the synthesis gas derived from coal, from SNG, or
5 from natural gas, shall be credited against the
6 revenue requirement for this initial clean coal
7 facility;

8 (B) power purchase provisions, which shall:

9 (i) provide that the utility party to such
10 sourcing agreement shall pay the contract price
11 for electricity delivered under such sourcing
12 agreement;

13 (ii) require delivery of electricity to the
14 regional transmission organization market of the
15 utility that is party to such sourcing agreement;

16 (iii) require the utility party to such
17 sourcing agreement to buy from the initial clean
18 coal facility in each hour an amount of energy
19 equal to all clean coal energy made available from
20 the initial clean coal facility during such hour
21 times a fraction, the numerator of which is such
22 utility's retail market sales of electricity
23 (expressed in kilowatthours sold) in the State
24 during the prior calendar month and the
25 denominator of which is the total retail market
26 sales of electricity (expressed in kilowatthours

1 sold) in the State by utilities during such prior
2 month and the sales of electricity (expressed in
3 kilowatthours sold) in the State by alternative
4 retail electric suppliers during such prior month
5 that are subject to the requirements of this
6 subsection (d) and paragraph (5) of subsection (d)
7 of Section 16-115 of the Public Utilities Act,
8 provided that the amount purchased by the utility
9 in any year will be limited by paragraph (2) of
10 this subsection (d); and

11 (iv) be considered pre-existing contracts in
12 such utility's procurement plans for eligible
13 retail customers;

14 (C) contract for differences provisions, which
15 shall:

16 (i) require the utility party to such sourcing
17 agreement to contract with the initial clean coal
18 facility in each hour with respect to an amount of
19 energy equal to all clean coal energy made
20 available from the initial clean coal facility
21 during such hour times a fraction, the numerator
22 of which is such utility's retail market sales of
23 electricity (expressed in kilowatthours sold) in
24 the utility's service territory in the State
25 during the prior calendar month and the
26 denominator of which is the total retail market

1 sales of electricity (expressed in kilowatthours
2 sold) in the State by utilities during such prior
3 month and the sales of electricity (expressed in
4 kilowatthours sold) in the State by alternative
5 retail electric suppliers during such prior month
6 that are subject to the requirements of this
7 subsection (d) and paragraph (5) of subsection (d)
8 of Section 16-115 of the Public Utilities Act,
9 provided that the amount paid by the utility in
10 any year will be limited by paragraph (2) of this
11 subsection (d);

12 (ii) provide that the utility's payment
13 obligation in respect of the quantity of
14 electricity determined pursuant to the preceding
15 clause (i) shall be limited to an amount equal to
16 (1) the difference between the contract price
17 determined pursuant to subparagraph (A) of
18 paragraph (3) of this subsection (d) and the
19 day-ahead price for electricity delivered to the
20 regional transmission organization market of the
21 utility that is party to such sourcing agreement
22 (or any successor delivery point at which such
23 utility's supply obligations are financially
24 settled on an hourly basis) (the "reference
25 price") on the day preceding the day on which the
26 electricity is delivered to the initial clean coal

1 facility busbar, multiplied by (2) the quantity of
2 electricity determined pursuant to the preceding
3 clause (i); and

4 (iii) not require the utility to take physical
5 delivery of the electricity produced by the
6 facility;

7 (D) general provisions, which shall:

8 (i) specify a term of no more than 30 years,
9 commencing on the commercial operation date of the
10 facility;

11 (ii) provide that utilities shall maintain
12 adequate records documenting purchases under the
13 sourcing agreements entered into to comply with
14 this subsection (d) and shall file an accounting
15 with the load forecast that must be filed with the
16 Agency by July 15 of each year, in accordance with
17 subsection (d) of Section 16-111.5 of the Public
18 Utilities Act;

19 (iii) provide that all costs associated with
20 the initial clean coal facility will be
21 periodically reported to the Federal Energy
22 Regulatory Commission and to purchasers in
23 accordance with applicable laws governing
24 cost-based wholesale power contracts;

25 (iv) permit the Illinois Power Agency to
26 assume ownership of the initial clean coal

1 facility, without monetary consideration and
2 otherwise on reasonable terms acceptable to the
3 Agency, if the Agency so requests no less than 3
4 years prior to the end of the stated contract
5 term;

6 (v) require the owner of the initial clean
7 coal facility to provide documentation to the
8 Commission each year, starting in the facility's
9 first year of commercial operation, accurately
10 reporting the quantity of carbon emissions from
11 the facility that have been captured and
12 sequestered and report any quantities of carbon
13 released from the site or sites at which carbon
14 emissions were sequestered in prior years, based
15 on continuous monitoring of such sites. If, in any
16 year after the first year of commercial operation,
17 the owner of the facility fails to demonstrate
18 that the initial clean coal facility captured and
19 sequestered at least 50% of the total carbon
20 emissions that the facility would otherwise emit
21 or that sequestration of emissions from prior
22 years has failed, resulting in the release of
23 carbon dioxide into the atmosphere, the owner of
24 the facility must offset excess emissions. Any
25 such carbon offsets must be permanent, additional,
26 verifiable, real, located within the State of

1 Illinois, and legally and practicably enforceable.
2 The cost of such offsets for the facility that are
3 not recoverable shall not exceed \$15 million in
4 any given year. No costs of any such purchases of
5 carbon offsets may be recovered from a utility or
6 its customers. All carbon offsets purchased for
7 this purpose and any carbon emission credits
8 associated with sequestration of carbon from the
9 facility must be permanently retired. The initial
10 clean coal facility shall not forfeit its
11 designation as a clean coal facility if the
12 facility fails to fully comply with the applicable
13 carbon sequestration requirements in any given
14 year, provided the requisite offsets are
15 purchased. However, the Attorney General, on
16 behalf of the People of the State of Illinois, may
17 specifically enforce the facility's sequestration
18 requirement and the other terms of this contract
19 provision. Compliance with the sequestration
20 requirements and offset purchase requirements
21 specified in paragraph (3) of this subsection (d)
22 shall be reviewed annually by an independent
23 expert retained by the owner of the initial clean
24 coal facility, with the advance written approval
25 of the Attorney General. The Commission may, in
26 the course of the review specified in item (vii),

1 reduce the allowable return on equity for the
2 facility if the facility willfully fails to comply
3 with the carbon capture and sequestration
4 requirements set forth in this item (v);

5 (vi) include limits on, and accordingly
6 provide for modification of, the amount the
7 utility is required to source under the sourcing
8 agreement consistent with paragraph (2) of this
9 subsection (d);

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

25 (viii) limit the utility's obligation to such
26 amount as the utility is allowed to recover

1 through tariffs filed with the Commission,
2 provided that neither the clean coal facility nor
3 the utility waives any right to assert federal
4 pre-emption or any other argument in response to a
5 purported disallowance of recovery costs;

6 (ix) limit the utility's or alternative retail
7 electric supplier's obligation to incur any
8 liability until such time as the facility is in
9 commercial operation and generating power and
10 energy and such power and energy is being
11 delivered to the facility busbar;

12 (x) provide that the owner or owners of the
13 initial clean coal facility, which is the
14 counterparty to such sourcing agreement, shall
15 have the right from time to time to elect whether
16 the obligations of the utility party thereto shall
17 be governed by the power purchase provisions or
18 the contract for differences provisions;

19 (xi) append documentation showing that the
20 formula rate and contract, insofar as they relate
21 to the power purchase provisions, have been
22 approved by the Federal Energy Regulatory
23 Commission pursuant to Section 205 of the Federal
24 Power Act;

25 (xii) provide that any changes to the terms of
26 the contract, insofar as such changes relate to

1 the power purchase provisions, are subject to
2 review under the public interest standard applied
3 by the Federal Energy Regulatory Commission
4 pursuant to Sections 205 and 206 of the Federal
5 Power Act; and

6 (xiii) conform with customary lender
7 requirements in power purchase agreements used as
8 the basis for financing non-utility generators.

9 (4) Effective date of sourcing agreements with the
10 initial clean coal facility. Any proposed sourcing
11 agreement with the initial clean coal facility shall not
12 become effective unless the following reports are prepared
13 and submitted and authorizations and approvals obtained:

14 (i) Facility cost report. The owner of the initial
15 clean coal facility shall submit to the Commission,
16 the Agency, and the General Assembly a front-end
17 engineering and design study, a facility cost report,
18 method of financing (including but not limited to
19 structure and associated costs), and an operating and
20 maintenance cost quote for the facility (collectively
21 "facility cost report"), which shall be prepared in
22 accordance with the requirements of this paragraph (4)
23 of subsection (d) of this Section, and shall provide
24 the Commission and the Agency access to the work
25 papers, relied upon documents, and any other backup
26 documentation related to the facility cost report.

1 (ii) Commission report. Within 6 months following
2 receipt of the facility cost report, the Commission,
3 in consultation with the Agency, shall submit a report
4 to the General Assembly setting forth its analysis of
5 the facility cost report. Such report shall include,
6 but not be limited to, a comparison of the costs
7 associated with electricity generated by the initial
8 clean coal facility to the costs associated with
9 electricity generated by other types of generation
10 facilities, an analysis of the rate impacts on
11 residential and small business customers over the life
12 of the sourcing agreements, and an analysis of the
13 likelihood that the initial clean coal facility will
14 commence commercial operation by and be delivering
15 power to the facility's busbar by 2016. To assist in
16 the preparation of its report, the Commission, in
17 consultation with the Agency, may hire one or more
18 experts or consultants, the costs of which shall be
19 paid for by the owner of the initial clean coal
20 facility. The Commission and Agency may begin the
21 process of selecting such experts or consultants prior
22 to receipt of the facility cost report.

23 (iii) General Assembly approval. The proposed
24 sourcing agreements shall not take effect unless,
25 based on the facility cost report and the Commission's
26 report, the General Assembly enacts authorizing

1 legislation approving (A) the projected price, stated
2 in cents per kilowatthour, to be charged for
3 electricity generated by the initial clean coal
4 facility, (B) the projected impact on residential and
5 small business customers' bills over the life of the
6 sourcing agreements, and (C) the maximum allowable
7 return on equity for the project; and

8 (iv) Commission review. If the General Assembly
9 enacts authorizing legislation pursuant to
10 subparagraph (iii) approving a sourcing agreement, the
11 Commission shall, within 90 days of such enactment,
12 complete a review of such sourcing agreement. During
13 such time period, the Commission shall implement any
14 directive of the General Assembly, resolve any
15 disputes between the parties to the sourcing agreement
16 concerning the terms of such agreement, approve the
17 form of such agreement, and issue an order finding
18 that the sourcing agreement is prudent and reasonable.
19 The facility cost report shall be prepared as follows:

20 (A) The facility cost report shall be prepared by
21 duly licensed engineering and construction firms
22 detailing the estimated capital costs payable to one
23 or more contractors or suppliers for the engineering,
24 procurement and construction of the components
25 comprising the initial clean coal facility and the
26 estimated costs of operation and maintenance of the

1 facility. The facility cost report shall include:

2 (i) an estimate of the capital cost of the
3 core plant based on one or more front end
4 engineering and design studies for the
5 gasification island and related facilities. The
6 core plant shall include all civil, structural,
7 mechanical, electrical, control, and safety
8 systems.

9 (ii) an estimate of the capital cost of the
10 balance of the plant, including any capital costs
11 associated with sequestration of carbon dioxide
12 emissions and all interconnects and interfaces
13 required to operate the facility, such as
14 transmission of electricity, construction or
15 backfeed power supply, pipelines to transport
16 substitute natural gas or carbon dioxide, potable
17 water supply, natural gas supply, water supply,
18 water discharge, landfill, access roads, and coal
19 delivery.

20 The quoted construction costs shall be expressed
21 in nominal dollars as of the date that the quote is
22 prepared and shall include capitalized financing costs
23 during construction, taxes, insurance, and other
24 owner's costs, and an assumed escalation in materials
25 and labor beyond the date as of which the construction
26 cost quote is expressed.

1 (B) The front end engineering and design study for
2 the gasification island and the cost study for the
3 balance of plant shall include sufficient design work
4 to permit quantification of major categories of
5 materials, commodities and labor hours, and receipt of
6 quotes from vendors of major equipment required to
7 construct and operate the clean coal facility.

8 (C) The facility cost report shall also include an
9 operating and maintenance cost quote that will provide
10 the estimated cost of delivered fuel, personnel,
11 maintenance contracts, chemicals, catalysts,
12 consumables, spares, and other fixed and variable
13 operations and maintenance costs. The delivered fuel
14 cost estimate will be provided by a recognized third
15 party expert or experts in the fuel and transportation
16 industries. The balance of the operating and
17 maintenance cost quote, excluding delivered fuel
18 costs, will be developed based on the inputs provided
19 by duly licensed engineering and construction firms
20 performing the construction cost quote, potential
21 vendors under long-term service agreements and plant
22 operating agreements, or recognized third party plant
23 operator or operators.

24 The operating and maintenance cost quote
25 (including the cost of the front end engineering and
26 design study) shall be expressed in nominal dollars as

1 of the date that the quote is prepared and shall
2 include taxes, insurance, and other owner's costs, and
3 an assumed escalation in materials and labor beyond
4 the date as of which the operating and maintenance
5 cost quote is expressed.

6 (D) The facility cost report shall also include an
7 analysis of the initial clean coal facility's ability
8 to deliver power and energy into the applicable
9 regional transmission organization markets and an
10 analysis of the expected capacity factor for the
11 initial clean coal facility.

12 (E) Amounts paid to third parties unrelated to the
13 owner or owners of the initial clean coal facility to
14 prepare the core plant construction cost quote,
15 including the front end engineering and design study,
16 and the operating and maintenance cost quote will be
17 reimbursed through Coal Development Bonds.

18 (5) Re-powering and retrofitting coal-fired power
19 plants previously owned by Illinois utilities to qualify
20 as clean coal facilities. During the 2009 procurement
21 planning process and thereafter, the Agency and the
22 Commission shall consider sourcing agreements covering
23 electricity generated by power plants that were previously
24 owned by Illinois utilities and that have been or will be
25 converted into clean coal facilities, as defined by
26 Section 1-10 of this Act. Pursuant to such procurement

1 planning process, the owners of such facilities may
2 propose to the Agency sourcing agreements with utilities
3 and alternative retail electric suppliers required to
4 comply with subsection (d) of this Section and item (5) of
5 subsection (d) of Section 16-115 of the Public Utilities
6 Act, covering electricity generated by such facilities. In
7 the case of sourcing agreements that are power purchase
8 agreements, the contract price for electricity sales shall
9 be established on a cost of service basis. In the case of
10 sourcing agreements that are contracts for differences,
11 the contract price from which the reference price is
12 subtracted shall be established on a cost of service
13 basis. The Agency and the Commission may approve any such
14 utility sourcing agreements that do not exceed cost-based
15 benchmarks developed by the procurement administrator, in
16 consultation with the Commission staff, Agency staff and
17 the procurement monitor, subject to Commission review and
18 approval. The Commission shall have authority to inspect
19 all books and records associated with these clean coal
20 facilities during the term of any such contract.

21 (6) Costs incurred under this subsection (d) or
22 pursuant to a contract entered into under this subsection
23 (d) shall be deemed prudently incurred and reasonable in
24 amount and the electric utility shall be entitled to full
25 cost recovery pursuant to the tariffs filed with the
26 Commission.

1 (d-5) Zero emission standard.

2 (1) Beginning with the delivery year commencing on
3 June 1, 2017, the Agency shall, for electric utilities
4 that serve at least 100,000 retail customers in this
5 State, procure contracts with zero emission facilities
6 that are reasonably capable of generating cost-effective
7 zero emission credits in an amount approximately equal to
8 16% of the actual amount of electricity delivered by each
9 electric utility to retail customers in the State during
10 calendar year 2014. For an electric utility serving fewer
11 than 100,000 retail customers in this State that
12 requested, under Section 16-111.5 of the Public Utilities
13 Act, that the Agency procure power and energy for all or a
14 portion of the utility's Illinois load for the delivery
15 year commencing June 1, 2016, the Agency shall procure
16 contracts with zero emission facilities that are
17 reasonably capable of generating cost-effective zero
18 emission credits in an amount approximately equal to 16%
19 of the portion of power and energy to be procured by the
20 Agency for the utility. The duration of the contracts
21 procured under this subsection (d-5) shall be for a term
22 of 10 years ending May 31, 2027. The quantity of zero
23 emission credits to be procured under the contracts shall
24 be all of the zero emission credits generated by the zero
25 emission facility in each delivery year; however, if the
26 zero emission facility is owned by more than one entity,

1 then the quantity of zero emission credits to be procured
2 under the contracts shall be the amount of zero emission
3 credits that are generated from the portion of the zero
4 emission facility that is owned by the winning supplier.

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

9 The procurement process shall be subject to the
10 following provisions:

11 (A) Those zero emission facilities that intend to
12 participate in the procurement shall submit to the
13 Agency the following eligibility information for each
14 zero emission facility on or before the date
15 established by the Agency:

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

18 (ii) the amount of power generated annually
19 for each of the years 2005 through 2015, and the
20 projected zero emission credits to be generated
21 over the remaining useful life of the zero
22 emission facility, which shall be used to
23 determine the capability of each facility;

24 (iii) the annual zero emission facility cost
25 projections, expressed on a per megawatthour
26 basis, over the next 6 delivery years, which shall

1 include the following: operation and maintenance
2 expenses; fully allocated overhead costs, which
3 shall be allocated using the methodology developed
4 by the Institute for Nuclear Power Operations;
5 fuel expenditures; non-fuel capital expenditures;
6 spent fuel expenditures; a return on working
7 capital; the cost of operational and market risks
8 that could be avoided by ceasing operation; and
9 any other costs necessary for continued
10 operations, provided that "necessary" means, for
11 purposes of this item (iii), that the costs could
12 reasonably be avoided only by ceasing operations
13 of the zero emission facility; and

14 (iv) a commitment to continue operating, for
15 the duration of the contract or contracts executed
16 under the procurement held under this subsection
17 (d-5), the zero emission facility that produces
18 the zero emission credits to be procured in the
19 procurement.

20 The information described in item (iii) of this
21 subparagraph (A) may be submitted on a confidential
22 basis and shall be treated and maintained by the
23 Agency, the procurement administrator, and the
24 Commission as confidential and proprietary and exempt
25 from disclosure under subparagraphs (a) and (g) of
26 paragraph (1) of Section 7 of the Freedom of

1 Information Act. The Office of Attorney General shall
2 have access to, and maintain the confidentiality of,
3 such information pursuant to Section 6.5 of the
4 Attorney General Act.

5 (B) The price for each zero emission credit
6 procured under this subsection (d-5) for each delivery
7 year shall be in an amount that equals the Social Cost
8 of Carbon, expressed on a price per megawatthour
9 basis. However, to ensure that the procurement remains
10 affordable to retail customers in this State if
11 electricity prices increase, the price in an
12 applicable delivery year shall be reduced below the
13 Social Cost of Carbon by the amount ("Price
14 Adjustment") by which the market price index for the
15 applicable delivery year exceeds the baseline market
16 price index for the consecutive 12-month period ending
17 May 31, 2016. If the Price Adjustment is greater than
18 or equal to the Social Cost of Carbon in an applicable
19 delivery year, then no payments shall be due in that
20 delivery year. The components of this calculation are
21 defined as follows:

22 (i) Social Cost of Carbon: The Social Cost of
23 Carbon is \$16.50 per megawatthour, which is based
24 on the U.S. Interagency Working Group on Social
25 Cost of Carbon's price in the August 2016
26 Technical Update using a 3% discount rate,

1 adjusted for inflation for each year of the
2 program. Beginning with the delivery year
3 commencing June 1, 2023, the price per
4 megawatthour shall increase by \$1 per
5 megawatthour, and continue to increase by an
6 additional \$1 per megawatthour each delivery year
7 thereafter.

8 (ii) Baseline market price index: The baseline
9 market price index for the consecutive 12-month
10 period ending May 31, 2016 is \$31.40 per
11 megawatthour, which is based on the sum of (aa)
12 the average day-ahead energy price across all
13 hours of such 12-month period at the PJM
14 Interconnection LLC Northern Illinois Hub, (bb)
15 50% multiplied by the Base Residual Auction, or
16 its successor, capacity price for the rest of the
17 RTO zone group determined by PJM Interconnection
18 LLC, divided by 24 hours per day, and (cc) 50%
19 multiplied by the Planning Resource Auction, or
20 its successor, capacity price for Zone 4
21 determined by the Midcontinent Independent System
22 Operator, Inc., divided by 24 hours per day.

23 (iii) Market price index: The market price
24 index for a delivery year shall be the sum of
25 projected energy prices and projected capacity
26 prices determined as follows:

1 (aa) Projected energy prices: the
2 projected energy prices for the applicable
3 delivery year shall be calculated once for the
4 year using the forward market price for the
5 PJM Interconnection, LLC Northern Illinois
6 Hub. The forward market price shall be
7 calculated as follows: the energy forward
8 prices for each month of the applicable
9 delivery year averaged for each trade date
10 during the calendar year immediately preceding
11 that delivery year to produce a single energy
12 forward price for the delivery year. The
13 forward market price calculation shall use
14 data published by the Intercontinental
15 Exchange, or its successor.

16 (bb) Projected capacity prices:

17 (I) For the delivery years commencing
18 June 1, 2017, June 1, 2018, and June 1,
19 2019, the projected capacity price shall
20 be equal to the sum of (1) 50% multiplied
21 by the Base Residual Auction, or its
22 successor, price for the rest of the RTO
23 zone group as determined by PJM
24 Interconnection LLC, divided by 24 hours
25 per day and, (2) 50% multiplied by the
26 resource auction price determined in the

1 resource auction administered by the
2 Midcontinent Independent System Operator,
3 Inc., in which the largest percentage of
4 load cleared for Local Resource Zone 4,
5 divided by 24 hours per day, and where
6 such price is determined by the
7 Midcontinent Independent System Operator,
8 Inc.

9 (II) For the delivery year commencing
10 June 1, 2020, and each year thereafter,
11 the projected capacity price shall be
12 equal to the sum of (1) 50% multiplied by
13 the Base Residual Auction, or its
14 successor, price for the ComEd zone as
15 determined by PJM Interconnection LLC,
16 divided by 24 hours per day, and (2) 50%
17 multiplied by the resource auction price
18 determined in the resource auction
19 administered by the Midcontinent
20 Independent System Operator, Inc., in
21 which the largest percentage of load
22 cleared for Local Resource Zone 4, divided
23 by 24 hours per day, and where such price
24 is determined by the Midcontinent
25 Independent System Operator, Inc.

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

1 "Rest of the RTO" and "ComEd Zone" shall have
2 the meaning ascribed to them by PJM
3 Interconnection, LLC.

4 "RTO" means regional transmission
5 organization.

6 (C) No later than 45 days after June 1, 2017 (the
7 effective date of Public Act 99-906), the Agency shall
8 publish its proposed zero emission standard
9 procurement plan. The plan shall be consistent with
10 the provisions of this paragraph (1) and shall provide
11 that winning bids shall be selected based on public
12 interest criteria that include, but are not limited
13 to, minimizing carbon dioxide emissions that result
14 from electricity consumed in Illinois and minimizing
15 sulfur dioxide, nitrogen oxide, and particulate matter
16 emissions that adversely affect the citizens of this
17 State. In particular, the selection of winning bids
18 shall take into account the incremental environmental
19 benefits resulting from the procurement, such as any
20 existing environmental benefits that are preserved by
21 the procurements held under Public Act 99-906 and
22 would cease to exist if the procurements were not
23 held, including the preservation of zero emission
24 facilities. The plan shall also describe in detail how
25 each public interest factor shall be considered and
26 weighted in the bid selection process to ensure that

1 the public interest criteria are applied to the
2 procurement and given full effect.

3 For purposes of developing the plan, the Agency
4 shall consider any reports issued by a State agency,
5 board, or commission under House Resolution 1146 of
6 the 98th General Assembly and paragraph (4) of
7 subsection (d) of this Section, as well as publicly
8 available analyses and studies performed by or for
9 regional transmission organizations that serve the
10 State and their independent market monitors.

11 Upon publishing of the zero emission standard
12 procurement plan, copies of the plan shall be posted
13 and made publicly available on the Agency's website.
14 All interested parties shall have 10 days following
15 the date of posting to provide comment to the Agency on
16 the plan. All comments shall be posted to the Agency's
17 website. Following the end of the comment period, but
18 no more than 60 days later than June 1, 2017 (the
19 effective date of Public Act 99-906), the Agency shall
20 revise the plan as necessary based on the comments
21 received and file its zero emission standard
22 procurement plan with the Commission.

23 If the Commission determines that the plan will
24 result in the procurement of cost-effective zero
25 emission credits, then the Commission shall, after
26 notice and hearing, but no later than 45 days after the

1 Agency filed the plan, approve the plan or approve
2 with modification. For purposes of this subsection
3 (d-5), "cost effective" means the projected costs of
4 procuring zero emission credits from zero emission
5 facilities do not cause the limit stated in paragraph
6 (2) of this subsection to be exceeded.

7 (C-5) As part of the Commission's review and
8 acceptance or rejection of the procurement results,
9 the Commission shall, in its public notice of
10 successful bidders:

11 (i) identify how the winning bids satisfy the
12 public interest criteria described in subparagraph
13 (C) of this paragraph (1) of minimizing carbon
14 dioxide emissions that result from electricity
15 consumed in Illinois and minimizing sulfur
16 dioxide, nitrogen oxide, and particulate matter
17 emissions that adversely affect the citizens of
18 this State;

19 (ii) specifically address how the selection of
20 winning bids takes into account the incremental
21 environmental benefits resulting from the
22 procurement, including any existing environmental
23 benefits that are preserved by the procurements
24 held under Public Act 99-906 and would have ceased
25 to exist if the procurements had not been held,
26 such as the preservation of zero emission

1 facilities;

2 (iii) quantify the environmental benefit of
3 preserving the resources identified in item (ii)
4 of this subparagraph (C-5), including the
5 following:

6 (aa) the value of avoided greenhouse gas
7 emissions measured as the product of the zero
8 emission facilities' output over the contract
9 term multiplied by the U.S. Environmental
10 Protection Agency eGrid subregion carbon
11 dioxide emission rate and the U.S. Interagency
12 Working Group on Social Cost of Carbon's price
13 in the August 2016 Technical Update using a 3%
14 discount rate, adjusted for inflation for each
15 delivery year; and

16 (bb) the costs of replacement with other
17 zero carbon dioxide resources, including wind
18 and photovoltaic, based upon the simple
19 average of the following:

20 (I) the price, or if there is more
21 than one price, the average of the prices,
22 paid for renewable energy credits from new
23 utility-scale wind projects in the
24 procurement events specified in item (i)
25 of subparagraph (G) of paragraph (1) of
26 subsection (c) of this Section; and

1 (II) the price, or if there is more
2 than one price, the average of the prices,
3 paid for renewable energy credits from new
4 utility-scale solar projects and
5 brownfield site photovoltaic projects in
6 the procurement events specified in item
7 (ii) of subparagraph (G) of paragraph (1)
8 of subsection (c) of this Section and,
9 after January 1, 2015, renewable energy
10 credits from photovoltaic distributed
11 generation projects in procurement events
12 held under subsection (c) of this Section.

13 Each utility shall enter into binding contractual
14 arrangements with the winning suppliers.

15 The procurement described in this subsection
16 (d-5), including, but not limited to, the execution of
17 all contracts procured, shall be completed no later
18 than May 10, 2017. Based on the effective date of
19 Public Act 99-906, the Agency and Commission may, as
20 appropriate, modify the various dates and timelines
21 under this subparagraph and subparagraphs (C) and (D)
22 of this paragraph (1). The procurement and plan
23 approval processes required by this subsection (d-5)
24 shall be conducted in conjunction with the procurement
25 and plan approval processes required by subsection (c)
26 of this Section and Section 16-111.5 of the Public

1 Utilities Act, to the extent practicable.
2 Notwithstanding whether a procurement event is
3 conducted under Section 16-111.5 of the Public
4 Utilities Act, the Agency shall immediately initiate a
5 procurement process on June 1, 2017 (the effective
6 date of Public Act 99-906).

7 (D) Following the procurement event described in
8 this paragraph (1) and consistent with subparagraph
9 (B) of this paragraph (1), the Agency shall calculate
10 the payments to be made under each contract for the
11 next delivery year based on the market price index for
12 that delivery year. The Agency shall publish the
13 payment calculations no later than May 25, 2017 and
14 every May 25 thereafter.

15 (E) Notwithstanding the requirements of this
16 subsection (d-5), the contracts executed under this
17 subsection (d-5) shall provide that the zero emission
18 facility may, as applicable, suspend or terminate
19 performance under the contracts in the following
20 instances:

21 (i) A zero emission facility shall be excused
22 from its performance under the contract for any
23 cause beyond the control of the resource,
24 including, but not restricted to, acts of God,
25 flood, drought, earthquake, storm, fire,
26 lightning, epidemic, war, riot, civil disturbance

1 or disobedience, labor dispute, labor or material
2 shortage, sabotage, acts of public enemy,
3 explosions, orders, regulations or restrictions
4 imposed by governmental, military, or lawfully
5 established civilian authorities, which, in any of
6 the foregoing cases, by exercise of commercially
7 reasonable efforts the zero emission facility
8 could not reasonably have been expected to avoid,
9 and which, by the exercise of commercially
10 reasonable efforts, it has been unable to
11 overcome. In such event, the zero emission
12 facility shall be excused from performance for the
13 duration of the event, including, but not limited
14 to, delivery of zero emission credits, and no
15 payment shall be due to the zero emission facility
16 during the duration of the event.

17 (ii) A zero emission facility shall be
18 permitted to terminate the contract if legislation
19 is enacted into law by the General Assembly that
20 imposes or authorizes a new tax, special
21 assessment, or fee on the generation of
22 electricity, the ownership or leasehold of a
23 generating unit, or the privilege or occupation of
24 such generation, ownership, or leasehold of
25 generation units by a zero emission facility.
26 However, the provisions of this item (ii) do not

1 apply to any generally applicable tax, special
2 assessment or fee, or requirements imposed by
3 federal law.

4 (iii) A zero emission facility shall be
5 permitted to terminate the contract in the event
6 that the resource requires capital expenditures in
7 excess of \$40,000,000 that were neither known nor
8 reasonably foreseeable at the time it executed the
9 contract and that a prudent owner or operator of
10 such resource would not undertake.

11 (iv) A zero emission facility shall be
12 permitted to terminate the contract in the event
13 the Nuclear Regulatory Commission terminates the
14 resource's license.

15 (F) If the zero emission facility elects to
16 terminate a contract under subparagraph (E) of this
17 paragraph (1), then the Commission shall reopen the
18 docket in which the Commission approved the zero
19 emission standard procurement plan under subparagraph
20 (C) of this paragraph (1) and, after notice and
21 hearing, enter an order acknowledging the contract
22 termination election if such termination is consistent
23 with the provisions of this subsection (d-5).

24 (2) For purposes of this subsection (d-5), the amount
25 paid per kilowatthour means the total amount paid for
26 electric service expressed on a per kilowatthour basis.

1 For purposes of this subsection (d-5), the total amount
2 paid for electric service includes, without limitation,
3 amounts paid for supply, transmission, distribution,
4 surcharges, and add-on taxes.

5 Notwithstanding the requirements of this subsection
6 (d-5), the contracts executed under this subsection (d-5)
7 shall provide that the total of zero emission credits
8 procured under a procurement plan shall be subject to the
9 limitations of this paragraph (2). For each delivery year,
10 the contractual volume receiving payments in such year
11 shall be reduced for all retail customers based on the
12 amount necessary to limit the net increase that delivery
13 year to the costs of those credits included in the amounts
14 paid by eligible retail customers in connection with
15 electric service to no more than 1.65% of the amount paid
16 per kilowatthour by eligible retail customers during the
17 year ending May 31, 2009. The result of this computation
18 shall apply to and reduce the procurement for all retail
19 customers, and all those customers shall pay the same
20 single, uniform cents per kilowatthour charge under
21 subsection (k) of Section 16-108 of the Public Utilities
22 Act. To arrive at a maximum dollar amount of zero emission
23 credits to be paid for the particular delivery year, the
24 resulting per kilowatthour amount shall be applied to the
25 actual amount of kilowatthours of electricity delivered by
26 the electric utility in the delivery year immediately

1 prior to the procurement, to all retail customers in its
2 service territory. Unpaid contractual volume for any
3 delivery year shall be paid in any subsequent delivery
4 year in which such payments can be made without exceeding
5 the amount specified in this paragraph (2). The
6 calculations required by this paragraph (2) shall be made
7 only once for each procurement plan year. Once the
8 determination as to the amount of zero emission credits to
9 be paid is made based on the calculations set forth in this
10 paragraph (2), no subsequent rate impact determinations
11 shall be made and no adjustments to those contract amounts
12 shall be allowed. All costs incurred under those contracts
13 and in implementing this subsection (d-5) shall be
14 recovered by the electric utility as provided in this
15 Section.

16 No later than June 30, 2019, the Commission shall
17 review the limitation on the amount of zero emission
18 credits procured under this subsection (d-5) and report to
19 the General Assembly its findings as to whether that
20 limitation unduly constrains the procurement of
21 cost-effective zero emission credits.

22 (3) Six years after the execution of a contract under
23 this subsection (d-5), the Agency shall determine whether
24 the actual zero emission credit payments received by the
25 supplier over the 6-year period exceed the Average ZEC
26 Payment. In addition, at the end of the term of a contract

1 executed under this subsection (d-5), or at the time, if
2 any, a zero emission facility's contract is terminated
3 under subparagraph (E) of paragraph (1) of this subsection
4 (d-5), then the Agency shall determine whether the actual
5 zero emission credit payments received by the supplier
6 over the term of the contract exceed the Average ZEC
7 Payment, after taking into account any amounts previously
8 credited back to the utility under this paragraph (3). If
9 the Agency determines that the actual zero emission credit
10 payments received by the supplier over the relevant period
11 exceed the Average ZEC Payment, then the supplier shall
12 credit the difference back to the utility. The amount of
13 the credit shall be remitted to the applicable electric
14 utility no later than 120 days after the Agency's
15 determination, which the utility shall reflect as a credit
16 on its retail customer bills as soon as practicable;
17 however, the credit remitted to the utility shall not
18 exceed the total amount of payments received by the
19 facility under its contract.

20 For purposes of this Section, the Average ZEC Payment
21 shall be calculated by multiplying the quantity of zero
22 emission credits delivered under the contract times the
23 average contract price. The average contract price shall
24 be determined by subtracting the amount calculated under
25 subparagraph (B) of this paragraph (3) from the amount
26 calculated under subparagraph (A) of this paragraph (3),

1 as follows:

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

5 (B) The average of the market price indices, as
6 defined in subparagraph (B) of paragraph (1) of this
7 subsection (d-5), during the term of the contract,
8 minus the baseline market price index, as defined in
9 subparagraph (B) of paragraph (1) of this subsection
10 (d-5).

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

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

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

19 (6) Electric utilities shall be entitled to recover
20 all of the costs associated with the procurement of zero
21 emission credits through an automatic adjustment clause
22 tariff in accordance with subsection (k) and (m) of
23 Section 16-108 of the Public Utilities Act, and the
24 contracts executed under this subsection (d-5) shall
25 provide that the utilities' payment obligations under such
26 contracts shall be reduced if an adjustment is required

1 under subsection (m) of Section 16-108 of the Public
2 Utilities Act.

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

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

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

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

15 (h) The Agency shall assess fees to each bidder to recover
16 the costs incurred in connection with a competitive
17 procurement process.

18 (i) A renewable energy credit (including renewable energy
19 credits sold, delivered, and purchased under a contract
20 entered into pursuant to subsection (c-5) of this Section),
21 carbon emission credit, or zero emission credit can only be
22 used once to comply with a single portfolio or other standard
23 as set forth in subsection (c), subsection (d), or subsection
24 (d-5) of this Section, respectively. A renewable energy
25 credit, carbon emission credit, or zero emission credit cannot
26 be used to satisfy the requirements of more than one standard.

1 If more than one type of credit is issued for the same megawatt
2 hour of energy, only one credit can be used to satisfy the
3 requirements of a single standard. After such use, the credit
4 must be retired together with any other credits issued for the
5 same megawatt hour of energy.

6 (Source: P.A. 100-863, eff. 8-14-18; 101-81, eff. 7-12-19;
7 101-113, eff. 1-1-20.)

8 Section 15. The State Finance Act is amended by adding
9 Section 5.935 as follows:

10 (30 ILCS 105/5.935 new)

11 Sec. 5.935. The Coal to Solar and Energy Storage Incentive
12 and Plant Transition Fund.

13 Section 20. The Public Utilities Act is amended by
14 changing Sections 16-108 and 16-111.5 as follows:

15 (220 ILCS 5/16-108)

16 Sec. 16-108. Recovery of costs associated with the
17 provision of delivery services and certain other charges
18 ~~services~~.

19 (a) An electric utility shall file a delivery services
20 tariff with the Commission at least 210 days prior to the date
21 that it is required to begin offering such services pursuant
22 to this Act. An electric utility shall provide the components

1 of delivery services that are subject to the jurisdiction of
2 the Federal Energy Regulatory Commission at the same prices,
3 terms and conditions set forth in its applicable tariff as
4 approved or allowed into effect by that Commission. The
5 Commission shall otherwise have the authority pursuant to
6 Article IX to review, approve, and modify the prices, terms
7 and conditions of those components of delivery services not
8 subject to the jurisdiction of the Federal Energy Regulatory
9 Commission, including the authority to determine the extent to
10 which such delivery services should be offered on an unbundled
11 basis. In making any such determination the Commission shall
12 consider, at a minimum, the effect of additional unbundling on
13 (i) the objective of just and reasonable rates, (ii) electric
14 utility employees, and (iii) the development of competitive
15 markets for electric energy services in Illinois.

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

21 (c) The electric utility's tariffs shall define the
22 classes of its customers for purposes of delivery services
23 charges. Delivery services shall be priced and made available
24 to all retail customers electing delivery services in each
25 such class on a nondiscriminatory basis regardless of whether
26 the retail customer chooses the electric utility, an affiliate

1 of the electric utility, or another entity as its supplier of
2 electric power and energy. Charges for delivery services shall
3 be cost based, and shall allow the electric utility to recover
4 the costs of providing delivery services through its charges
5 to its delivery service customers that use the facilities and
6 services associated with such costs. Such costs shall include
7 the costs of owning, operating and maintaining transmission
8 and distribution facilities. The Commission shall also be
9 authorized to consider whether, and if so to what extent, the
10 following costs are appropriately included in the electric
11 utility's delivery services rates: (i) the costs of that
12 portion of generation facilities used for the production and
13 absorption of reactive power in order that retail customers
14 located in the electric utility's service area can receive
15 electric power and energy from suppliers other than the
16 electric utility, and (ii) the costs associated with the use
17 and redispatch of generation facilities to mitigate
18 constraints on the transmission or distribution system in
19 order that retail customers located in the electric utility's
20 service area can receive electric power and energy from
21 suppliers other than the electric utility. Nothing in this
22 subsection shall be construed as directing the Commission to
23 allocate any of the costs described in (i) or (ii) that are
24 found to be appropriately included in the electric utility's
25 delivery services rates to any particular customer group or
26 geographic area in setting delivery services rates.

1 (d) The Commission shall establish charges, terms and
2 conditions for delivery services that are just and reasonable
3 and shall take into account customer impacts when establishing
4 such charges. In establishing charges, terms and conditions
5 for delivery services, the Commission shall take into account
6 voltage level differences. A retail customer shall have the
7 option to request to purchase electric service at any delivery
8 service voltage reasonably and technically feasible from the
9 electric facilities serving that customer's premises provided
10 that there are no significant adverse impacts upon system
11 reliability or system efficiency. A retail customer shall also
12 have the option to request to purchase electric service at any
13 point of delivery that is reasonably and technically feasible
14 provided that there are no significant adverse impacts on
15 system reliability or efficiency. Such requests shall not be
16 unreasonably denied.

17 (e) Electric utilities shall recover the costs of
18 installing, operating or maintaining facilities for the
19 particular benefit of one or more delivery services customers,
20 including without limitation any costs incurred in complying
21 with a customer's request to be served at a different voltage
22 level, directly from the retail customer or customers for
23 whose benefit the costs were incurred, to the extent such
24 costs are not recovered through the charges referred to in
25 subsections (c) and (d) of this Section.

26 (f) An electric utility shall be entitled but not required

1 to implement transition charges in conjunction with the
2 offering of delivery services pursuant to Section 16-104. If
3 an electric utility implements transition charges, it shall
4 implement such charges for all delivery services customers and
5 for all customers described in subsection (h), but shall not
6 implement transition charges for power and energy that a
7 retail customer takes from cogeneration or self-generation
8 facilities located on that retail customer's premises, if such
9 facilities meet the following criteria:

10 (i) the cogeneration or self-generation facilities
11 serve a single retail customer and are located on that
12 retail customer's premises (for purposes of this
13 subparagraph and subparagraph (ii), an industrial or
14 manufacturing retail customer and a third party contractor
15 that is served by such industrial or manufacturing
16 customer through such retail customer's own electrical
17 distribution facilities under the circumstances described
18 in subsection (vi) of the definition of "alternative
19 retail electric supplier" set forth in Section 16-102,
20 shall be considered a single retail customer);

21 (ii) the cogeneration or self-generation facilities
22 either (A) are sized pursuant to generally accepted
23 engineering standards for the retail customer's electrical
24 load at that premises (taking into account standby or
25 other reliability considerations related to that retail
26 customer's operations at that site) or (B) if the facility

1 is a cogeneration facility located on the retail
2 customer's premises, the retail customer is the thermal
3 host for that facility and the facility has been designed
4 to meet that retail customer's thermal energy requirements
5 resulting in electrical output beyond that retail
6 customer's electrical demand at that premises, comply with
7 the operating and efficiency standards applicable to
8 "qualifying facilities" specified in title 18 Code of
9 Federal Regulations Section 292.205 as in effect on the
10 effective date of this amendatory Act of 1999;

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

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

26 If a generation facility located at a retail customer's

1 premises does not meet the above criteria, an electric utility
2 implementing transition charges shall implement a transition
3 charge until December 31, 2006 for any power and energy taken
4 by such retail customer from such facility as if such power and
5 energy had been delivered by the electric utility. Provided,
6 however, that an industrial retail customer that is taking
7 power from a generation facility that does not meet the above
8 criteria but that is located on such customer's premises will
9 not be subject to a transition charge for the power and energy
10 taken by such retail customer from such generation facility if
11 the facility does not serve any other retail customer and
12 either was installed on behalf of the customer and for its own
13 use prior to January 1, 1997, or is both predominantly fueled
14 by byproducts of such customer's manufacturing process at such
15 premises and sells or offers an average of 300 megawatts or
16 more of electricity produced from such generation facility
17 into the wholesale market. Such charges shall be calculated as
18 provided in Section 16-102, and shall be collected on each
19 kilowatt-hour delivered under a delivery services tariff to a
20 retail customer from the date the customer first takes
21 delivery services until December 31, 2006 except as provided
22 in subsection (h) of this Section. Provided, however, that an
23 electric utility, other than an electric utility providing
24 service to at least 1,000,000 customers in this State on
25 January 1, 1999, shall be entitled to petition for entry of an
26 order by the Commission authorizing the electric utility to

1 implement transition charges for an additional period ending
2 no later than December 31, 2008. The electric utility shall
3 file its petition with supporting evidence no earlier than 16
4 months, and no later than 12 months, prior to December 31,
5 2006. The Commission shall hold a hearing on the electric
6 utility's petition and shall enter its order no later than 8
7 months after the petition is filed. The Commission shall
8 determine whether and to what extent the electric utility
9 shall be authorized to implement transition charges for an
10 additional period. The Commission may authorize the electric
11 utility to implement transition charges for some or all of the
12 additional period, and shall determine the mitigation factors
13 to be used in implementing such transition charges; provided,
14 that the Commission shall not authorize mitigation factors
15 less than 110% of those in effect during the 12 months ended
16 December 31, 2006. In making its determination, the Commission
17 shall consider the following factors: the necessity to
18 implement transition charges for an additional period in order
19 to maintain the financial integrity of the electric utility;
20 the prudence of the electric utility's actions in reducing its
21 costs since the effective date of this amendatory Act of 1997;
22 the ability of the electric utility to provide safe, adequate
23 and reliable service to retail customers in its service area;
24 and the impact on competition of allowing the electric utility
25 to implement transition charges for the additional period.

26 (g) The electric utility shall file tariffs that establish

1 the transition charges to be paid by each class of customers to
2 the electric utility in conjunction with the provision of
3 delivery services. The electric utility's tariffs shall define
4 the classes of its customers for purposes of calculating
5 transition charges. The electric utility's tariffs shall
6 provide for the calculation of transition charges on a
7 customer-specific basis for any retail customer whose average
8 monthly maximum electrical demand on the electric utility's
9 system during the 6 months with the customer's highest monthly
10 maximum electrical demands equals or exceeds 3.0 megawatts for
11 electric utilities having more than 1,000,000 customers, and
12 for other electric utilities for any customer that has an
13 average monthly maximum electrical demand on the electric
14 utility's system of one megawatt or more, and (A) for which
15 there exists data on the customer's usage during the 3 years
16 preceding the date that the customer became eligible to take
17 delivery services, or (B) for which there does not exist data
18 on the customer's usage during the 3 years preceding the date
19 that the customer became eligible to take delivery services,
20 if in the electric utility's reasonable judgment there exists
21 comparable usage information or a sufficient basis to develop
22 such information, and further provided that the electric
23 utility can require customers for which an individual
24 calculation is made to sign contracts that set forth the
25 transition charges to be paid by the customer to the electric
26 utility pursuant to the tariff.

1 (h) An electric utility shall also be entitled to file
2 tariffs that allow it to collect transition charges from
3 retail customers in the electric utility's service area that
4 do not take delivery services but that take electric power or
5 energy from an alternative retail electric supplier or from an
6 electric utility other than the electric utility in whose
7 service area the customer is located. Such charges shall be
8 calculated, in accordance with the definition of transition
9 charges in Section 16-102, for the period of time that the
10 customer would be obligated to pay transition charges if it
11 were taking delivery services, except that no deduction for
12 delivery services revenues shall be made in such calculation,
13 and usage data from the customer's class shall be used where
14 historical usage data is not available for the individual
15 customer. The customer shall be obligated to pay such charges
16 on a lump sum basis on or before the date on which the customer
17 commences to take service from the alternative retail electric
18 supplier or other electric utility, provided, that the
19 electric utility in whose service area the customer is located
20 shall offer the customer the option of signing a contract
21 pursuant to which the customer pays such charges ratably over
22 the period in which the charges would otherwise have applied.

23 (i) An electric utility shall be entitled to add to the
24 bills of delivery services customers charges pursuant to
25 Sections 9-221, 9-222 (except as provided in Section 9-222.1),
26 and Section 16-114 of this Act, Section 5-5 of the Electricity

1 Infrastructure Maintenance Fee Law, Section 6-5 of the
2 Renewable Energy, Energy Efficiency, and Coal Resources
3 Development Law of 1997, and Section 13 of the Energy
4 Assistance Act.

5 (i-5) An electric utility required to impose the Coal to
6 Solar and Energy Storage Initiative Charge provided for in
7 subsection (c-5) of Section 1-75 of the Illinois Power Agency
8 Act shall add such charge to the bills of its delivery services
9 customers pursuant to the terms of a tariff conforming to the
10 requirements of subsection (c-5) of Section 1-75 of the
11 Illinois Power Agency Act and filed with and approved by the
12 Commission. The electric utility shall file its proposed
13 tariff with the Commission within 30 days following the
14 effective date of this amendatory Act of the 102nd General
15 Assembly. Within 30 days following the date the proposed
16 tariff is filed with the Commission, the Commission shall
17 review and approve the electric utility's proposed tariff, or
18 direct the electric utility to make modifications to conform
19 to the requirements of subsection (c-5) of Section 1-75 of the
20 Illinois Power Agency Act. The electric utility's tariff shall
21 be placed into effect no later than 90 days following the
22 effective date of this amendatory Act of the 102nd General
23 Assembly. The electric utility shall use the funds collected
24 pursuant to the tariff in accordance with subsection (c-5) of
25 Section 1-75 of the Illinois Power Agency Act, including
26 remitting a portion of such funds to the State Treasurer for

1 deposit into the Coal to Solar and Energy Storage Incentive
2 and Plant Transition Fund as provided for in subsection (c-5)
3 of Section 1-75 of the Illinois Power Agency Act.

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

26 (k) The electric utility shall be entitled to recover

1 through tariffed charges all of the costs associated with the
2 purchase of zero emission credits from zero emission
3 facilities to meet the requirements of subsection (d-5) of
4 Section 1-75 of the Illinois Power Agency Act. Such costs
5 shall include the costs of procuring the zero emission
6 credits, as well as the reasonable costs that the utility
7 incurs as part of the procurement processes and to implement
8 and comply with plans and processes approved by the Commission
9 under such subsection (d-5). The costs shall be allocated
10 across all retail customers through a single, uniform cents
11 per kilowatt-hour charge applicable to all retail customers,
12 which shall appear as a separate line item on each customer's
13 bill. Beginning June 1, 2017, the electric utility shall be
14 entitled to recover through tariffed charges all of the costs
15 associated with the purchase of renewable energy resources to
16 meet the renewable energy resource standards of subsection (c)
17 of Section 1-75 of the Illinois Power Agency Act, under
18 procurement plans as approved in accordance with that Section
19 and Section 16-111.5 of this Act. Such costs shall include the
20 costs of procuring the renewable energy resources, as well as
21 the reasonable costs that the utility incurs as part of the
22 procurement processes and to implement and comply with plans
23 and processes approved by the Commission under such Sections.
24 The costs associated with the purchase of renewable energy
25 resources shall be allocated across all retail customers in
26 proportion to the amount of renewable energy resources the

1 utility procures for such customers through a single, uniform
2 cents per kilowatt-hour charge applicable to such retail
3 customers, which shall appear as a separate line item on each
4 such customer's bill.

5 Notwithstanding whether the Commission has approved the
6 initial long-term renewable resources procurement plan as of
7 June 1, 2017, an electric utility shall place new tariffed
8 charges into effect beginning with the June 2017 monthly
9 billing period, to the extent practicable, to begin recovering
10 the costs of procuring renewable energy resources, as those
11 charges are calculated under the limitations described in
12 subparagraph (E) of paragraph (1) of subsection (c) of Section
13 1-75 of the Illinois Power Agency Act. Notwithstanding the
14 date on which the utility places such new tariffed charges
15 into effect, the utility shall be permitted to collect the
16 charges under such tariff as if the tariff had been in effect
17 beginning with the first day of the June 2017 monthly billing
18 period. For the delivery years commencing June 1, 2017, June
19 1, 2018, and June 1, 2019, the electric utility shall deposit
20 into a separate interest bearing account of a financial
21 institution the monies collected under the tariffed charges.
22 Any interest earned shall be credited back to retail customers
23 under the reconciliation proceeding provided for in this
24 subsection (k), provided that the electric utility shall first
25 be reimbursed from the interest for the administrative costs
26 that it incurs to administer and manage the account. Any taxes

1 due on the funds in the account, or interest earned on it, will
2 be paid from the account or, if insufficient monies are
3 available in the account, from the monies collected under the
4 tariffed charges to recover the costs of procuring renewable
5 energy resources. Monies deposited in the account shall be
6 subject to the review, reconciliation, and true-up process
7 described in this subsection (k) that is applicable to the
8 funds collected and costs incurred for the procurement of
9 renewable energy resources.

10 The electric utility shall be entitled to recover all of
11 the costs identified in this subsection (k) through automatic
12 adjustment clause tariffs applicable to all of the utility's
13 retail customers that allow the electric utility to adjust its
14 tariffed charges consistent with this subsection (k). The
15 determination as to whether any excess funds were collected
16 during a given delivery year for the purchase of renewable
17 energy resources, and the crediting of any excess funds back
18 to retail customers, shall not be made until after the close of
19 the delivery year, which will ensure that the maximum amount
20 of funds is available to implement the approved long-term
21 renewable resources procurement plan during a given delivery
22 year. The electric utility's collections under such automatic
23 adjustment clause tariffs to recover the costs of renewable
24 energy resources and zero emission credits from zero emission
25 facilities shall be subject to separate annual review,
26 reconciliation, and true-up against actual costs by the

1 Commission under a procedure that shall be specified in the
2 electric utility's automatic adjustment clause tariffs and
3 that shall be approved by the Commission in connection with
4 its approval of such tariffs. The procedure shall provide that
5 any difference between the electric utility's collections
6 under the automatic adjustment charges for an annual period
7 and the electric utility's actual costs of renewable energy
8 resources and zero emission credits from zero emission
9 facilities for that same annual period shall be refunded to or
10 collected from, as applicable, the electric utility's retail
11 customers in subsequent periods.

12 Nothing in this subsection (k) is intended to affect,
13 limit, or change the right of the electric utility to recover
14 the costs associated with the procurement of renewable energy
15 resources for periods commencing before, on, or after June 1,
16 2017, as otherwise provided in the Illinois Power Agency Act.

17 Notwithstanding anything to the contrary, the Commission
18 shall not conduct an annual review, reconciliation, and
19 true-up associated with renewable energy resources'
20 collections and costs for the delivery years commencing June
21 1, 2017, June 1, 2018, June 1, 2019, and June 1, 2020, and
22 shall instead conduct a single review, reconciliation, and
23 true-up associated with renewable energy resources'
24 collections and costs for the 4-year period beginning June 1,
25 2017 and ending May 31, 2021, provided that the review,
26 reconciliation, and true-up shall not be initiated until after

1 August 31, 2021. During the 4-year period, the utility shall
2 be permitted to collect and retain funds under this subsection
3 (k) and to purchase renewable energy resources under an
4 approved long-term renewable resources procurement plan using
5 those funds regardless of the delivery year in which the funds
6 were collected during the 4-year period.

7 If the amount of funds collected during the delivery year
8 commencing June 1, 2017, exceeds the costs incurred during
9 that delivery year, then up to half of this excess amount, as
10 calculated on June 1, 2018, may be used to fund the programs
11 under subsection (b) of Section 1-56 of the Illinois Power
12 Agency Act in the same proportion the programs are funded
13 under that subsection (b). However, any amount identified
14 under this subsection (k) to fund programs under subsection
15 (b) of Section 1-56 of the Illinois Power Agency Act shall be
16 reduced if it exceeds the funding shortfall. For purposes of
17 this Section, "funding shortfall" means the difference between
18 \$200,000,000 and the amount appropriated by the General
19 Assembly to the Illinois Power Agency Renewable Energy
20 Resources Fund during the period that commences on the
21 effective date of this amendatory act of the 99th General
22 Assembly and ends on August 1, 2018.

23 If the amount of funds collected during the delivery year
24 commencing June 1, 2018, exceeds the costs incurred during
25 that delivery year, then up to half of this excess amount, as
26 calculated on June 1, 2019, may be used to fund the programs

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

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

17 The funding available under this subsection (k), if any,
18 for the programs described under subsection (b) of Section
19 1-56 of the Illinois Power Agency Act shall not reduce the
20 amount of funding for the programs described in subparagraph
21 (O) of paragraph (1) of subsection (c) of Section 1-75 of the
22 Illinois Power Agency Act. If funding is available under this
23 subsection (k) for programs described under subsection (b) of
24 Section 1-56 of the Illinois Power Agency Act, then the
25 long-term renewable resources plan shall provide for the
26 Agency to procure contracts in an amount that does not exceed

1 the funding, and the contracts approved by the Commission
2 shall be executed by the applicable utility or utilities.

3 (1) A utility that has terminated any contract executed
4 under subsection (d-5) of Section 1-75 of the Illinois Power
5 Agency Act shall be entitled to recover any remaining balance
6 associated with the purchase of zero emission credits prior to
7 such termination, and such utility shall also apply a credit
8 to its retail customer bills in the event of any
9 over-collection.

10 (m) (1) An electric utility that recovers its costs of
11 procuring zero emission credits from zero emission
12 facilities through a cents-per-kilowatthour charge under
13 to subsection (k) of this Section shall be subject to the
14 requirements of this subsection (m). Notwithstanding
15 anything to the contrary, such electric utility shall,
16 beginning on April 30, 2018, and each April 30 thereafter
17 until April 30, 2026, calculate whether any reduction must
18 be applied to such cents-per-kilowatthour charge that is
19 paid by retail customers of the electric utility that are
20 exempt from subsections (a) through (j) of Section 8-103B
21 of this Act under subsection (l) of Section 8-103B. Such
22 charge shall be reduced for such customers for the next
23 delivery year commencing on June 1 based on the amount
24 necessary, if any, to limit the annual estimated average
25 net increase for the prior calendar year due to the future
26 energy investment costs to no more than 1.3% of 5.98 cents

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

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

8 (2) For purposes of this Section, "future energy
9 investment costs" shall be calculated by subtracting the
10 cents-per-kilowatthour charge identified in subparagraph
11 (A) of this paragraph (2) from the sum of the
12 cents-per-kilowatthour charges identified in subparagraph
13 (B) of this paragraph (2):

14 (A) The cents-per-kilowatthour charge identified
15 in the electric utility's tariff placed into effect
16 under Section 8-103 of the Public Utilities Act that,
17 on December 1, 2016, was applicable to those retail
18 customers that are exempt from subsections (a) through
19 (j) of Section 8-103B of this Act under subsection (1)
20 of Section 8-103B.

21 (B) The sum of the following
22 cents-per-kilowatthour charges applicable to those
23 retail customers that are exempt from subsections (a)
24 through (j) of Section 8-103B of this Act under
25 subsection (1) of Section 8-103B, provided that if one
26 or more of the following charges has been in effect and

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

7 (i) the cents-per-kilowatthour charge to
8 recover the costs incurred by the utility under
9 subsection (d-5) of Section 1-75 of the Illinois
10 Power Agency Act, adjusted for any reductions
11 required under this subsection (m); and

12 (ii) the cents-per-kilowatthour charge to
13 recover the costs incurred by the utility under
14 Section 16-107.6 of the Public Utilities Act.

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

18 (3) If a reduction is required by the calculation
19 performed under this subsection (m), then the amount of
20 the reduction shall be multiplied by the number of years
21 reflected in the averages calculated under subparagraph
22 (B) of paragraph (2) of this subsection (m). Such
23 reduction shall be applied to the cents-per-kilowatthour
24 charge that is applicable to those retail customers that
25 are exempt from subsections (a) through (j) of Section
26 8-103B of this Act under subsection (l) of Section 8-103B

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

3 (4) The electric utility shall file a notice with the
4 Commission on May 1 of 2018 and each May 1 thereafter until
5 May 1, 2026 containing the reduction, if any, which must
6 be applied for the delivery year which begins in the year
7 of the filing. The notice shall contain the calculations
8 made pursuant to this Section. By October 1 of each year
9 beginning in 2018, each electric utility shall notify the
10 Commission if it appears, based on an estimate of the
11 calculation required in this subsection (m), that a
12 reduction will be required in the next year.

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

14 (220 ILCS 5/16-111.5)

15 Sec. 16-111.5. Provisions relating to procurement.

16 (a) An electric utility that on December 31, 2005 served
17 at least 100,000 customers in Illinois shall procure power and
18 energy for its eligible retail customers in accordance with
19 the applicable provisions set forth in Section 1-75 of the
20 Illinois Power Agency Act and this Section. Beginning with the
21 delivery year commencing on June 1, 2017, such electric
22 utility shall also procure zero emission credits from zero
23 emission facilities in accordance with the applicable
24 provisions set forth in Section 1-75 of the Illinois Power
25 Agency Act, and, for years beginning on or after June 1, 2017,

1 the utility shall procure renewable energy resources in
2 accordance with the applicable provisions set forth in Section
3 1-75 of the Illinois Power Agency Act and this Section. A small
4 multi-jurisdictional electric utility that on December 31,
5 2005 served less than 100,000 customers in Illinois may elect
6 to procure power and energy for all or a portion of its
7 eligible Illinois retail customers in accordance with the
8 applicable provisions set forth in this Section and Section
9 1-75 of the Illinois Power Agency Act. This Section shall not
10 apply to a small multi-jurisdictional utility until such time
11 as a small multi-jurisdictional utility requests the Illinois
12 Power Agency to prepare a procurement plan for its eligible
13 retail customers. "Eligible retail customers" for the purposes
14 of this Section means those retail customers that purchase
15 power and energy from the electric utility under fixed-price
16 bundled service tariffs, other than those retail customers
17 whose service is declared or deemed competitive under Section
18 16-113 and those other customer groups specified in this
19 Section, including self-generating customers, customers
20 electing hourly pricing, or those customers who are otherwise
21 ineligible for fixed-price bundled tariff service. For those
22 customers that are excluded from the procurement plan's
23 electric supply service requirements, and the utility shall
24 procure any supply requirements, including capacity, ancillary
25 services, and hourly priced energy, in the applicable markets
26 as needed to serve those customers, provided that the utility

1 may include in its procurement plan load requirements for the
2 load that is associated with those retail customers whose
3 service has been declared or deemed competitive pursuant to
4 Section 16-113 of this Act to the extent that those customers
5 are purchasing power and energy during one of the transition
6 periods identified in subsection (b) of Section 16-113 of this
7 Act.

8 (b) A procurement plan shall be prepared for each electric
9 utility consistent with the applicable requirements of the
10 Illinois Power Agency Act and this Section. For purposes of
11 this Section, Illinois electric utilities that are affiliated
12 by virtue of a common parent company are considered to be a
13 single electric utility. Small multi-jurisdictional utilities
14 may request a procurement plan for a portion of or all of its
15 Illinois load. Each procurement plan shall analyze the
16 projected balance of supply and demand for those retail
17 customers to be included in the plan's electric supply service
18 requirements over a 5-year period, with the first planning
19 year beginning on June 1 of the year following the year in
20 which the plan is filed. The plan shall specifically identify
21 the wholesale products to be procured following plan approval,
22 and shall follow all the requirements set forth in the Public
23 Utilities Act and all applicable State and federal laws,
24 statutes, rules, or regulations, as well as Commission orders.
25 Nothing in this Section precludes consideration of contracts
26 longer than 5 years and related forecast data. Unless

1 specified otherwise in this Section, in the procurement plan
2 or in the implementing tariff, any procurement occurring in
3 accordance with this plan shall be competitively bid through a
4 request for proposals process. Approval and implementation of
5 the procurement plan shall be subject to review and approval
6 by the Commission according to the provisions set forth in
7 this Section. A procurement plan shall include each of the
8 following components:

9 (1) Hourly load analysis. This analysis shall include:

10 (i) multi-year historical analysis of hourly
11 loads;

12 (ii) switching trends and competitive retail
13 market analysis;

14 (iii) known or projected changes to future loads;

15 and

16 (iv) growth forecasts by customer class.

17 (2) Analysis of the impact of any demand side and
18 renewable energy initiatives. This analysis shall include:

19 (i) the impact of demand response programs and
20 energy efficiency programs, both current and
21 projected; for small multi-jurisdictional utilities,
22 the impact of demand response and energy efficiency
23 programs approved pursuant to Section 8-408 of this
24 Act, both current and projected; and

25 (ii) supply side needs that are projected to be
26 offset by purchases of renewable energy resources, if

1 any.

2 (3) A plan for meeting the expected load requirements
3 that will not be met through preexisting contracts. This
4 plan shall include:

5 (i) definitions of the different Illinois retail
6 customer classes for which supply is being purchased;

7 (ii) the proposed mix of demand-response products
8 for which contracts will be executed during the next
9 year. For small multi-jurisdictional electric
10 utilities that on December 31, 2005 served fewer than
11 100,000 customers in Illinois, these shall be defined
12 as demand-response products offered in an energy
13 efficiency plan approved pursuant to Section 8-408 of
14 this Act. The cost-effective demand-response measures
15 shall be procured whenever the cost is lower than
16 procuring comparable capacity products, provided that
17 such products shall:

18 (A) be procured by a demand-response provider
19 from those retail customers included in the plan's
20 electric supply service requirements;

21 (B) at least satisfy the demand-response
22 requirements of the regional transmission
23 organization market in which the utility's service
24 territory is located, including, but not limited
25 to, any applicable capacity or dispatch
26 requirements;

1 (C) provide for customers' participation in
2 the stream of benefits produced by the
3 demand-response products;

4 (D) provide for reimbursement by the
5 demand-response provider of the utility for any
6 costs incurred as a result of the failure of the
7 supplier of such products to perform its
8 obligations thereunder; and

9 (E) meet the same credit requirements as apply
10 to suppliers of capacity, in the applicable
11 regional transmission organization market;

12 (iii) monthly forecasted system supply
13 requirements, including expected minimum, maximum, and
14 average values for the planning period;

15 (iv) the proposed mix and selection of standard
16 wholesale products for which contracts will be
17 executed during the next year, separately or in
18 combination, to meet that portion of its load
19 requirements not met through pre-existing contracts,
20 including but not limited to monthly 5 x 16 peak period
21 block energy, monthly off-peak wrap energy, monthly 7
22 x 24 energy, annual 5 x 16 energy, annual off-peak wrap
23 energy, annual 7 x 24 energy, monthly capacity, annual
24 capacity, peak load capacity obligations, capacity
25 purchase plan, and ancillary services;

26 (v) proposed term structures for each wholesale

1 product type included in the proposed procurement plan
2 portfolio of products; and

3 (vi) an assessment of the price risk, load
4 uncertainty, and other factors that are associated
5 with the proposed procurement plan; this assessment,
6 to the extent possible, shall include an analysis of
7 the following factors: contract terms, time frames for
8 securing products or services, fuel costs, weather
9 patterns, transmission costs, market conditions, and
10 the governmental regulatory environment; the proposed
11 procurement plan shall also identify alternatives for
12 those portfolio measures that are identified as having
13 significant price risk.

14 (4) Proposed procedures for balancing loads. The
15 procurement plan shall include, for load requirements
16 included in the procurement plan, the process for (i)
17 hourly balancing of supply and demand and (ii) the
18 criteria for portfolio re-balancing in the event of
19 significant shifts in load.

20 (5) Long-Term Renewable Resources Procurement Plan.
21 The Agency shall prepare a long-term renewable resources
22 procurement plan for the procurement of renewable energy
23 credits under Sections 1-56 and 1-75 of the Illinois Power
24 Agency Act for delivery beginning in the 2017 delivery
25 year.

26 (i) The initial long-term renewable resources

1 procurement plan and all subsequent revisions shall be
2 subject to review and approval by the Commission. For
3 the purposes of this Section, "delivery year" has the
4 same meaning as in Section 1-10 of the Illinois Power
5 Agency Act. For purposes of this Section, "Agency"
6 shall mean the Illinois Power Agency.

7 (ii) The long-term renewable resources planning
8 process shall be conducted as follows:

9 (A) Electric utilities shall provide a range
10 of load forecasts to the Illinois Power Agency
11 within 45 days of the Agency's request for
12 forecasts, which request shall specify the length
13 and conditions for the forecasts including, but
14 not limited to, the quantity of distributed
15 generation expected to be interconnected for each
16 year.

17 (B) The Agency shall publish for comment the
18 initial long-term renewable resources procurement
19 plan no later than 120 days after the effective
20 date of this amendatory Act of the 99th General
21 Assembly and shall review, and may revise, the
22 plan at least every 2 years thereafter. To the
23 extent practicable, the Agency shall review and
24 propose any revisions to the long-term renewable
25 energy resources procurement plan in conjunction
26 with the Agency's other planning and approval

1 processes conducted under this Section. The
2 initial long-term renewable resources procurement
3 plan shall:

4 (aa) Identify the procurement programs and
5 competitive procurement events consistent with
6 the applicable requirements of the Illinois
7 Power Agency Act and shall be designed to
8 achieve the goals set forth in subsection (c)
9 of Section 1-75 of that Act.

10 (bb) Include a schedule for procurements
11 for renewable energy credits from
12 utility-scale wind projects, utility-scale
13 solar projects, and brownfield site
14 photovoltaic projects consistent with
15 subparagraph (G) of paragraph (1) of
16 subsection (c) of Section 1-75 of the Illinois
17 Power Agency Act.

18 (cc) Identify the process whereby the
19 Agency will submit to the Commission for
20 review and approval the proposed contracts to
21 implement the programs required by such plan.

22 Copies of the initial long-term renewable
23 resources procurement plan and all subsequent
24 revisions shall be posted and made publicly
25 available on the Agency's and Commission's
26 websites, and copies shall also be provided to

1 each affected electric utility. An affected
2 utility and other interested parties shall have 45
3 days following the date of posting to provide
4 comment to the Agency on the initial long-term
5 renewable resources procurement plan and all
6 subsequent revisions. All comments submitted to
7 the Agency shall be specific, supported by data or
8 other detailed analyses, and, if objecting to all
9 or a portion of the procurement plan, accompanied
10 by specific alternative wording or proposals. All
11 comments shall be posted on the Agency's and
12 Commission's websites. During this 45-day comment
13 period, the Agency shall hold at least one public
14 hearing within each utility's service area that is
15 subject to the requirements of this paragraph (5)
16 for the purpose of receiving public comment.
17 Within 21 days following the end of the 45-day
18 review period, the Agency may revise the long-term
19 renewable resources procurement plan based on the
20 comments received and shall file the plan with the
21 Commission for review and approval.

22 (C) Within 14 days after the filing of the
23 initial long-term renewable resources procurement
24 plan or any subsequent revisions, any person
25 objecting to the plan may file an objection with
26 the Commission. Within 21 days after the filing of

1 the plan, the Commission shall determine whether a
2 hearing is necessary. The Commission shall enter
3 its order confirming or modifying the initial
4 long-term renewable resources procurement plan or
5 any subsequent revisions within 120 days after the
6 filing of the plan by the Illinois Power Agency.

7 (D) The Commission shall approve the initial
8 long-term renewable resources procurement plan and
9 any subsequent revisions, including expressly the
10 forecast used in the plan and taking into account
11 that funding will be limited to the amount of
12 revenues actually collected by the utilities, if
13 the Commission determines that the plan will
14 reasonably and prudently accomplish the
15 requirements of Section 1-56 and subsection (c) of
16 Section 1-75 of the Illinois Power Agency Act. The
17 Commission shall also approve the process for the
18 submission, review, and approval of the proposed
19 contracts to procure renewable energy credits or
20 implement the programs authorized by the
21 Commission pursuant to a long-term renewable
22 resources procurement plan approved under this
23 Section.

24 (iii) The Agency or third parties contracted by
25 the Agency shall implement all programs authorized by
26 the Commission in an approved long-term renewable

1 resources procurement plan without further review and
2 approval by the Commission. Third parties shall not
3 begin implementing any programs or receive any payment
4 under this Section until the Commission has approved
5 the contract or contracts under the process authorized
6 by the Commission in item (D) of subparagraph (ii) of
7 paragraph (5) of this subsection (b) and the third
8 party and the Agency or utility, as applicable, have
9 executed the contract. For those renewable energy
10 credits subject to procurement through a competitive
11 bid process under the plan or under the initial
12 forward procurements for wind and solar resources
13 described in subparagraph (G) of paragraph (1) of
14 subsection (c) of Section 1-75 of the Illinois Power
15 Agency Act, the Agency shall follow the procurement
16 process specified in the provisions relating to
17 electricity procurement in subsections (e) through (i)
18 of this Section.

19 (iv) An electric utility shall recover its costs
20 associated with the procurement of renewable energy
21 credits under this Section and pursuant to subsection
22 (c-5) of Section 1-75 of the Illinois Power Agency Act
23 through an automatic adjustment clause tariff or
24 tariffs under subsection (k) or subsection (i-5) of
25 Section 16-108 of this Act, as applicable. A utility
26 shall not be required to advance any payment or pay any

1 amounts under this Section that exceed the actual
2 amount of revenues collected by the utility under
3 paragraph (6) of subsection (c) of Section 1-75 of the
4 Illinois Power Agency Act, subsection (c-5) of Section
5 1-75 of the Illinois Power Agency Act, and subsection
6 (k) or subsection (i-5) of Section 16-108 of this Act,
7 as applicable, and contracts executed under this
8 Section shall expressly incorporate this limitation.

9 (v) For the public interest, safety, and welfare,
10 the Agency and the Commission may adopt rules to carry
11 out the provisions of this Section on an emergency
12 basis immediately following the effective date of this
13 amendatory Act of the 99th General Assembly.

14 (vi) On or before July 1 of each year, the
15 Commission shall hold an informal hearing for the
16 purpose of receiving comments on the prior year's
17 procurement process and any recommendations for
18 change.

19 (b-5) An electric utility that as of January 1, 2019
20 served more than 300,000 retail customers in this State shall
21 purchase renewable energy credits from new renewable energy
22 resources constructed at or adjacent to the sites of
23 coal-fueled electric generating facilities in this State in
24 accordance with subsection (c-5) of Section 1-75 of the
25 Illinois Power Agency Act. Except as expressly provided in
26 this Section, the plans and procedures for such procurements

1 shall not be included in the procurement plans provided for in
2 this Section, but rather shall be conducted and implemented
3 solely in accordance with subsection (c-5) of Section 1-75 of
4 the Illinois Power Agency Act.

5 (c) The provisions of this subsection (c) shall not apply
6 to procurements conducted pursuant to subsection (c-5) of
7 Section 1-75 of the Illinois Power Agency Act. However, the
8 Agency may retain a procurement administrator to assist the
9 Agency in planning and carrying out the procurement event and
10 implementing the other requirements specified in subsection
11 (c-5) of Section 1-75 of the Illinois Power Agency Act, with
12 the costs incurred by the Agency for the procurement
13 administrator to be recovered through fees charged to
14 applicants for selection to sell and deliver renewable energy
15 credits to electric utilities pursuant to such subsection
16 (c-5). The procurement process set forth in Section 1-75 of
17 the Illinois Power Agency Act and subsection (e) of this
18 Section shall be administered by a procurement administrator
19 and monitored by a procurement monitor.

20 (1) The procurement administrator shall:

21 (i) design the final procurement process in
22 accordance with Section 1-75 of the Illinois Power
23 Agency Act and subsection (e) of this Section
24 following Commission approval of the procurement plan;

25 (ii) develop benchmarks in accordance with
26 subsection (e)(3) to be used to evaluate bids;

1 these benchmarks shall be submitted to the
2 Commission for review and approval on a
3 confidential basis prior to the procurement event;

4 (iii) serve as the interface between the electric
5 utility and suppliers;

6 (iv) manage the bidder pre-qualification and
7 registration process;

8 (v) obtain the electric utilities' agreement to
9 the final form of all supply contracts and credit
10 collateral agreements;

11 (vi) administer the request for proposals process;

12 (vii) have the discretion to negotiate to
13 determine whether bidders are willing to lower the
14 price of bids that meet the benchmarks approved by the
15 Commission; any post-bid negotiations with bidders
16 shall be limited to price only and shall be completed
17 within 24 hours after opening the sealed bids and
18 shall be conducted in a fair and unbiased manner; in
19 conducting the negotiations, there shall be no
20 disclosure of any information derived from proposals
21 submitted by competing bidders; if information is
22 disclosed to any bidder, it shall be provided to all
23 competing bidders;

24 (viii) maintain confidentiality of supplier and
25 bidding information in a manner consistent with all
26 applicable laws, rules, regulations, and tariffs;

1 (ix) submit a confidential report to the
2 Commission recommending acceptance or rejection of
3 bids;

4 (x) notify the utility of contract counterparties
5 and contract specifics; and

6 (xi) administer related contingency procurement
7 events.

8 (2) The procurement monitor, who shall be retained by
9 the Commission, shall:

10 (i) monitor interactions among the procurement
11 administrator, suppliers, and utility;

12 (ii) monitor and report to the Commission on the
13 progress of the procurement process;

14 (iii) provide an independent confidential report
15 to the Commission regarding the results of the
16 procurement event;

17 (iv) assess compliance with the procurement plans
18 approved by the Commission for each utility that on
19 December 31, 2005 provided electric service to at
20 least 100,000 customers in Illinois and for each small
21 multi-jurisdictional utility that on December 31, 2005
22 served less than 100,000 customers in Illinois;

23 (v) preserve the confidentiality of supplier and
24 bidding information in a manner consistent with all
25 applicable laws, rules, regulations, and tariffs;

26 (vi) provide expert advice to the Commission and

1 consult with the procurement administrator regarding
2 issues related to procurement process design, rules,
3 protocols, and policy-related matters; and

4 (vii) consult with the procurement administrator
5 regarding the development and use of benchmark
6 criteria, standard form contracts, credit policies,
7 and bid documents.

8 (d) Except as provided in subsection (j), the planning
9 process shall be conducted as follows:

10 (1) Beginning in 2008, each Illinois utility procuring
11 power pursuant to this Section shall annually provide a
12 range of load forecasts to the Illinois Power Agency by
13 July 15 of each year, or such other date as may be required
14 by the Commission or Agency. The load forecasts shall
15 cover the 5-year procurement planning period for the next
16 procurement plan and shall include hourly data
17 representing a high-load, low-load, and expected-load
18 scenario for the load of those retail customers included
19 in the plan's electric supply service requirements. The
20 utility shall provide supporting data and assumptions for
21 each of the scenarios.

22 (2) Beginning in 2008, the Illinois Power Agency shall
23 prepare a procurement plan by August 15th of each year, or
24 such other date as may be required by the Commission. The
25 procurement plan shall identify the portfolio of
26 demand-response and power and energy products to be

1 procured. Cost-effective demand-response measures shall be
2 procured as set forth in item (iii) of subsection (b) of
3 this Section. Copies of the procurement plan shall be
4 posted and made publicly available on the Agency's and
5 Commission's websites, and copies shall also be provided
6 to each affected electric utility. An affected utility
7 shall have 30 days following the date of posting to
8 provide comment to the Agency on the procurement plan.
9 Other interested entities also may comment on the
10 procurement plan. All comments submitted to the Agency
11 shall be specific, supported by data or other detailed
12 analyses, and, if objecting to all or a portion of the
13 procurement plan, accompanied by specific alternative
14 wording or proposals. All comments shall be posted on the
15 Agency's and Commission's websites. During this 30-day
16 comment period, the Agency shall hold at least one public
17 hearing within each utility's service area for the purpose
18 of receiving public comment on the procurement plan.
19 Within 14 days following the end of the 30-day review
20 period, the Agency shall revise the procurement plan as
21 necessary based on the comments received and file the
22 procurement plan with the Commission and post the
23 procurement plan on the websites.

24 (3) Within 5 days after the filing of the procurement
25 plan, any person objecting to the procurement plan shall
26 file an objection with the Commission. Within 10 days

1 after the filing, the Commission shall determine whether a
2 hearing is necessary. The Commission shall enter its order
3 confirming or modifying the procurement plan within 90
4 days after the filing of the procurement plan by the
5 Illinois Power Agency.

6 (4) The Commission shall approve the procurement plan,
7 including expressly the forecast used in the procurement
8 plan, if the Commission determines that it will ensure
9 adequate, reliable, affordable, efficient, and
10 environmentally sustainable electric service at the lowest
11 total cost over time, taking into account any benefits of
12 price stability.

13 (4.5) The Commission shall review and approve the
14 Agency's recommendation for the selection of applicants to
15 enter into long-term contracts for the sale and delivery
16 of renewable energy credits from new renewable energy
17 resources to be constructed at or adjacent to the sites of
18 coal-fueled electric generating facilities in this State
19 in accordance with the provisions of subsection (c-5) of
20 Section 1-75 of the Illinois Power Agency Act, if the
21 Commission determines that the applicants recommended by
22 the Agency for selection, the proposed new renewable
23 energy resources to be constructed, the amounts of
24 renewable energy credits to be delivered pursuant to such
25 contracts, and the other terms of the contracts, are
26 consistent with the requirements of subsection (c-5) of

1 Section 1-75 of the Illinois Power Agency Act.

2 (e) The procurement process shall include each of the
3 following components:

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

23 (2) Standard contract forms and credit terms and
24 instruments. The procurement administrator, in
25 consultation with the utilities, the Commission, and other
26 interested parties and subject to Commission oversight,

1 shall develop and provide standard contract forms for the
2 supplier contracts that meet generally accepted industry
3 practices. Standard credit terms and instruments that meet
4 generally accepted industry practices shall be similarly
5 developed. The procurement administrator shall make
6 available to the Commission all written comments it
7 receives on the contract forms, credit terms, or
8 instruments. If the procurement administrator cannot reach
9 agreement with the applicable electric utility as to the
10 contract terms and conditions, the procurement
11 administrator must notify the Commission of any disputed
12 terms and the Commission shall resolve the dispute. The
13 terms of the contracts shall not be subject to negotiation
14 by winning bidders, and the bidders must agree to the
15 terms of the contract in advance so that winning bids are
16 selected solely on the basis of price.

17 (3) Establishment of a market-based price benchmark.
18 As part of the development of the procurement process, the
19 procurement administrator, in consultation with the
20 Commission staff, Agency staff, and the procurement
21 monitor, shall establish benchmarks for evaluating the
22 final prices in the contracts for each of the products
23 that will be procured through the procurement process. The
24 benchmarks shall be based on price data for similar
25 products for the same delivery period and same delivery
26 hub, or other delivery hubs after adjusting for that

1 difference. The price benchmarks may also be adjusted to
2 take into account differences between the information
3 reflected in the underlying data sources and the specific
4 products and procurement process being used to procure
5 power for the Illinois utilities. The benchmarks shall be
6 confidential but shall be provided to, and will be subject
7 to Commission review and approval, prior to a procurement
8 event.

9 (4) Request for proposals competitive procurement
10 process. The procurement administrator shall design and
11 issue a request for proposals to supply electricity in
12 accordance with each utility's procurement plan, as
13 approved by the Commission. The request for proposals
14 shall set forth a procedure for sealed, binding commitment
15 bidding with pay-as-bid settlement, and provision for
16 selection of bids on the basis of price.

17 (5) A plan for implementing contingencies in the event
18 of supplier default or failure of the procurement process
19 to fully meet the expected load requirement due to
20 insufficient supplier participation, Commission rejection
21 of results, or any other cause.

22 (i) Event of supplier default: In the event of
23 supplier default, the utility shall review the
24 contract of the defaulting supplier to determine if
25 the amount of supply is 200 megawatts or greater, and
26 if there are more than 60 days remaining of the

1 contract term. If both of these conditions are met,
2 and the default results in termination of the
3 contract, the utility shall immediately notify the
4 Illinois Power Agency that a request for proposals
5 must be issued to procure replacement power, and the
6 procurement administrator shall run an additional
7 procurement event. If the contracted supply of the
8 defaulting supplier is less than 200 megawatts or
9 there are less than 60 days remaining of the contract
10 term, the utility shall procure power and energy from
11 the applicable regional transmission organization
12 market, including ancillary services, capacity, and
13 day-ahead or real time energy, or both, for the
14 duration of the contract term to replace the
15 contracted supply; provided, however, that if a needed
16 product is not available through the regional
17 transmission organization market it shall be purchased
18 from the wholesale market.

19 (ii) Failure of the procurement process to fully
20 meet the expected load requirement: If the procurement
21 process fails to fully meet the expected load
22 requirement due to insufficient supplier participation
23 or due to a Commission rejection of the procurement
24 results, the procurement administrator, the
25 procurement monitor, and the Commission staff shall
26 meet within 10 days to analyze potential causes of low

1 supplier interest or causes for the Commission
2 decision. If changes are identified that would likely
3 result in increased supplier participation, or that
4 would address concerns causing the Commission to
5 reject the results of the prior procurement event, the
6 procurement administrator may implement those changes
7 and rerun the request for proposals process according
8 to a schedule determined by those parties and
9 consistent with Section 1-75 of the Illinois Power
10 Agency Act and this subsection. In any event, a new
11 request for proposals process shall be implemented by
12 the procurement administrator within 90 days after the
13 determination that the procurement process has failed
14 to fully meet the expected load requirement.

15 (iii) In all cases where there is insufficient
16 supply provided under contracts awarded through the
17 procurement process to fully meet the electric
18 utility's load requirement, the utility shall meet the
19 load requirement by procuring power and energy from
20 the applicable regional transmission organization
21 market, including ancillary services, capacity, and
22 day-ahead or real time energy, or both; provided,
23 however, that if a needed product is not available
24 through the regional transmission organization market
25 it shall be purchased from the wholesale market.

26 (6) The procurement processes ~~process~~ described in

1 this subsection and in subsection (c-5) of Section 1-75 of
2 the Illinois Power Agency Act are ~~is~~ exempt from the
3 requirements of the Illinois Procurement Code, pursuant to
4 Section 20-10 of that Code.

5 (f) Within 2 business days after opening the sealed bids,
6 the procurement administrator shall submit a confidential
7 report to the Commission. The report shall contain the results
8 of the bidding for each of the products along with the
9 procurement administrator's recommendation for the acceptance
10 and rejection of bids based on the price benchmark criteria
11 and other factors observed in the process. The procurement
12 monitor also shall submit a confidential report to the
13 Commission within 2 business days after opening the sealed
14 bids. The report shall contain the procurement monitor's
15 assessment of bidder behavior in the process as well as an
16 assessment of the procurement administrator's compliance with
17 the procurement process and rules. The Commission shall review
18 the confidential reports submitted by the procurement
19 administrator and procurement monitor, and shall accept or
20 reject the recommendations of the procurement administrator
21 within 2 business days after receipt of the reports.

22 (g) Within 3 business days after the Commission decision
23 approving the results of a procurement event, the utility
24 shall enter into binding contractual arrangements with the
25 winning suppliers using the standard form contracts; except
26 that the utility shall not be required either directly or

1 indirectly to execute the contracts if a tariff that is
2 consistent with subsection (l) of this Section has not been
3 approved and placed into effect for that utility.

4 (h) The names of the successful bidders and the load
5 weighted average of the winning bid prices for each contract
6 type and for each contract term shall be made available to the
7 public at the time of Commission approval of a procurement
8 event. The Commission, the procurement monitor, the
9 procurement administrator, the Illinois Power Agency, and all
10 participants in the procurement process shall maintain the
11 confidentiality of all other supplier and bidding information
12 in a manner consistent with all applicable laws, rules,
13 regulations, and tariffs. Confidential information, including
14 the confidential reports submitted by the procurement
15 administrator and procurement monitor pursuant to subsection
16 (f) of this Section, shall not be made publicly available and
17 shall not be discoverable by any party in any proceeding,
18 absent a compelling demonstration of need, nor shall those
19 reports be admissible in any proceeding other than one for law
20 enforcement purposes.

21 (i) Within 2 business days after a Commission decision
22 approving the results of a procurement event or such other
23 date as may be required by the Commission from time to time,
24 the utility shall file for informational purposes with the
25 Commission its actual or estimated retail supply charges, as
26 applicable, by customer supply group reflecting the costs

1 associated with the procurement and computed in accordance
2 with the tariffs filed pursuant to subsection (l) of this
3 Section and approved by the Commission.

4 (j) Within 60 days following August 28, 2007 (the
5 effective date of Public Act 95-481), each electric utility
6 that on December 31, 2005 provided electric service to at
7 least 100,000 customers in Illinois shall prepare and file
8 with the Commission an initial procurement plan, which shall
9 conform in all material respects to the requirements of the
10 procurement plan set forth in subsection (b); provided,
11 however, that the Illinois Power Agency Act shall not apply to
12 the initial procurement plan prepared pursuant to this
13 subsection. The initial procurement plan shall identify the
14 portfolio of power and energy products to be procured and
15 delivered for the period June 2008 through May 2009, and shall
16 identify the proposed procurement administrator, who shall
17 have the same experience and expertise as is required of a
18 procurement administrator hired pursuant to Section 1-75 of
19 the Illinois Power Agency Act. Copies of the procurement plan
20 shall be posted and made publicly available on the
21 Commission's website. The initial procurement plan may include
22 contracts for renewable resources that extend beyond May 2009.

23 (i) Within 14 days following filing of the initial
24 procurement plan, any person may file a detailed objection
25 with the Commission contesting the procurement plan
26 submitted by the electric utility. All objections to the

1 electric utility's plan shall be specific, supported by
2 data or other detailed analyses. The electric utility may
3 file a response to any objections to its procurement plan
4 within 7 days after the date objections are due to be
5 filed. Within 7 days after the date the utility's response
6 is due, the Commission shall determine whether a hearing
7 is necessary. If it determines that a hearing is
8 necessary, it shall require the hearing to be completed
9 and issue an order on the procurement plan within 60 days
10 after the filing of the procurement plan by the electric
11 utility.

12 (ii) The order shall approve or modify the procurement
13 plan, approve an independent procurement administrator,
14 and approve or modify the electric utility's tariffs that
15 are proposed with the initial procurement plan. The
16 Commission shall approve the procurement plan if the
17 Commission determines that it will ensure adequate,
18 reliable, affordable, efficient, and environmentally
19 sustainable electric service at the lowest total cost over
20 time, taking into account any benefits of price stability.

21 (k) (Blank).

22 (k-5) (Blank).

23 (l) An electric utility shall recover its costs incurred
24 under this Section and subsection (c-5) of Section 1-75 of the
25 Illinois Power Agency Act, including, but not limited to, the
26 costs of procuring power and energy demand-response resources

1 under this Section and its costs for purchasing renewable
2 energy credits pursuant to subsection (c-5) of Section 1-75 of
3 the Illinois Power Agency Act. The utility shall file with the
4 initial procurement plan its proposed tariffs through which
5 its costs of procuring power that are incurred pursuant to a
6 Commission-approved procurement plan and those other costs
7 identified in this subsection (1), will be recovered. The
8 tariffs shall include a formula rate or charge designed to
9 pass through both the costs incurred by the utility in
10 procuring a supply of electric power and energy for the
11 applicable customer classes with no mark-up or return on the
12 price paid by the utility for that supply, plus any just and
13 reasonable costs that the utility incurs in arranging and
14 providing for the supply of electric power and energy. The
15 formula rate or charge shall also contain provisions that
16 ensure that its application does not result in over or under
17 recovery due to changes in customer usage and demand patterns,
18 and that provide for the correction, on at least an annual
19 basis, of any accounting errors that may occur. A utility
20 shall recover through the tariff all reasonable costs incurred
21 to implement or comply with any procurement plan that is
22 developed and put into effect pursuant to Section 1-75 of the
23 Illinois Power Agency Act and this Section, and for the
24 procurement of renewable energy credits pursuant to subsection
25 (c-5) of Section 1-75 of the Illinois Power Agency Act,
26 including any fees assessed by the Illinois Power Agency,

1 costs associated with load balancing, and contingency plan
2 costs. The electric utility shall also recover its full costs
3 of procuring electric supply for which it contracted before
4 the effective date of this Section in conjunction with the
5 provision of full requirements service under fixed-price
6 bundled service tariffs subsequent to December 31, 2006. All
7 such costs shall be deemed to have been prudently incurred.
8 The pass-through tariffs that are filed and approved pursuant
9 to this Section shall not be subject to review under, or in any
10 way limited by, Section 16-111(i) of this Act. All of the costs
11 incurred by the electric utility associated with the purchase
12 of zero emission credits in accordance with subsection (d-5)
13 of Section 1-75 of the Illinois Power Agency Act and,
14 beginning June 1, 2017, all of the costs incurred by the
15 electric utility associated with the purchase of renewable
16 energy resources in accordance with Sections 1-56 and 1-75 of
17 the Illinois Power Agency Act, and all of the costs incurred by
18 the electric utility in purchasing renewable energy credits in
19 accordance with subsection (c-5) of Section 1-75 of the
20 Illinois Power Agency Act, shall be recovered through the
21 electric utility's tariffed charges applicable to all of its
22 retail customers, as specified in subsection (k) or subsection
23 (i-5), as applicable, of Section 16-108 of this Act, and shall
24 not be recovered through the electric utility's tariffed
25 charges for electric power and energy supply to its eligible
26 retail customers.

1 (m) The Commission has the authority to adopt rules to
2 carry out the provisions of this Section. For the public
3 interest, safety, and welfare, the Commission also has
4 authority to adopt rules to carry out the provisions of this
5 Section on an emergency basis immediately following August 28,
6 2007 (the effective date of Public Act 95-481).

7 (n) Notwithstanding any other provision of this Act, any
8 affiliated electric utilities that submit a single procurement
9 plan covering their combined needs may procure for those
10 combined needs in conjunction with that plan, and may enter
11 jointly into power supply contracts, purchases, and other
12 procurement arrangements, and allocate capacity and energy and
13 cost responsibility therefor among themselves in proportion to
14 their requirements.

15 (o) On or before June 1 of each year, the Commission shall
16 hold an informal hearing for the purpose of receiving comments
17 on the prior year's procurement process and any
18 recommendations for change.

19 (p) An electric utility subject to this Section may
20 propose to invest, lease, own, or operate an electric
21 generation facility as part of its procurement plan, provided
22 the utility demonstrates that such facility is the least-cost
23 option to provide electric service to those retail customers
24 included in the plan's electric supply service requirements.
25 If the facility is shown to be the least-cost option and is
26 included in a procurement plan prepared in accordance with

1 Section 1-75 of the Illinois Power Agency Act and this
2 Section, then the electric utility shall make a filing
3 pursuant to Section 8-406 of this Act, and may request of the
4 Commission any statutory relief required thereunder. If the
5 Commission grants all of the necessary approvals for the
6 proposed facility, such supply shall thereafter be considered
7 as a pre-existing contract under subsection (b) of this
8 Section. The Commission shall in any order approving a
9 proposal under this subsection specify how the utility will
10 recover the prudently incurred costs of investing in, leasing,
11 owning, or operating such generation facility through just and
12 reasonable rates charged to those retail customers included in
13 the plan's electric supply service requirements. Cost recovery
14 for facilities included in the utility's procurement plan
15 pursuant to this subsection shall not be subject to review
16 under or in any way limited by the provisions of Section
17 16-111(i) of this Act. Nothing in this Section is intended to
18 prohibit a utility from filing for a fuel adjustment clause as
19 is otherwise permitted under Section 9-220 of this Act.

20 (q) If the Illinois Power Agency filed with the
21 Commission, under Section 16-111.5 of this Act, its proposed
22 procurement plan for the period commencing June 1, 2017, and
23 the Commission has not yet entered its final order approving
24 the plan on or before the effective date of this amendatory Act
25 of the 99th General Assembly, then the Illinois Power Agency
26 shall file a notice of withdrawal with the Commission, after

1 the effective date of this amendatory Act of the 99th General
2 Assembly, to withdraw the proposed procurement of renewable
3 energy resources to be approved under the plan, other than the
4 procurement of renewable energy credits from distributed
5 renewable energy generation devices using funds previously
6 collected from electric utilities' retail customers that take
7 service pursuant to electric utilities' hourly pricing tariff
8 or tariffs and, for an electric utility that serves less than
9 100,000 retail customers in the State, other than the
10 procurement of renewable energy credits from distributed
11 renewable energy generation devices. Upon receipt of the
12 notice, the Commission shall enter an order that approves the
13 withdrawal of the proposed procurement of renewable energy
14 resources from the plan. The initially proposed procurement of
15 renewable energy resources shall not be approved or be the
16 subject of any further hearing, investigation, proceeding, or
17 order of any kind.

18 This amendatory Act of the 99th General Assembly preempts
19 and supersedes any order entered by the Commission that
20 approved the Illinois Power Agency's procurement plan for the
21 period commencing June 1, 2017, to the extent it is
22 inconsistent with the provisions of this amendatory Act of the
23 99th General Assembly. To the extent any previously entered
24 order approved the procurement of renewable energy resources,
25 the portion of that order approving the procurement shall be
26 void, other than the procurement of renewable energy credits

1 from distributed renewable energy generation devices using
2 funds previously collected from electric utilities' retail
3 customers that take service under electric utilities' hourly
4 pricing tariff or tariffs and, for an electric utility that
5 serves less than 100,000 retail customers in the State, other
6 than the procurement of renewable energy credits for
7 distributed renewable energy generation devices.

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

9 Section 99. Effective date. This Act takes effect upon
10 becoming law.