



Rep. Marcus C. Evans, Jr.

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1 AMENDMENT TO SENATE BILL 2408

2 AMENDMENT NO. _____. Amend Senate Bill 2408, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Article 5. Energy Transition

6 Section 5-1. Short title. This Article may be cited as the
7 Energy Transition Act. As used in this Article, "this Act"
8 refers to this Article.

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

10 "Apprentice" means a participant in an apprenticeship
11 program approved by and registered with the United States
12 Department of Labor's Bureau of Apprenticeship and Training.

13 "Apprenticeship program" means an apprenticeship and
14 training program approved by and registered with the United
15 States Department of Labor's Bureau of Apprenticeship and

1 Training.

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

7 "Community-based organizations" means an organization
8 that: (1) provides employment, skill development, or related
9 services to members of the community; (2) includes community
10 colleges, nonprofits, and local governments; (3) has at least
11 one main operating office in the community or region it
12 serves; and (4) demonstrates relationships with local
13 residents and other organizations serving the community.

14 "Department" means the Department of Commerce and Economic
15 Opportunity, unless the text solely specifies a particular
16 Department.

17 "Director" means the Director of Commerce and Economic
18 Opportunity.

19 "Equity eligible contractor" or "eligible contractor"
20 means:

21 (1) a business that is majority-owned by equity
22 investment eligible individuals or persons who are or have
23 been participants in the Clean Jobs Workforce Network
24 Program, Clean Energy Contractor Incubator Program,
25 Returning Residents Clean Jobs Training Program, Illinois
26 Climate Works Preapprenticeship Program, or Clean Energy

1 Primes Contractor Accelerator Program;

2 (2) a nonprofit or cooperative that is
3 majority-governed by equity investment eligible
4 individuals or persons who are or have been participants
5 in the Clean Jobs Workforce Network Program, Clean Energy
6 Contractor Incubator Program, Returning Residents Clean
7 Jobs Training Program, Illinois Climate Works
8 Preapprenticeship Program, or Clean Energy Primes
9 Contractor Accelerator Program; or

10 (3) an equity investment eligible person or an
11 individual who is or has been a participant in the Clean
12 Jobs Workforce Network Program, Clean Energy Contractor
13 Incubator Program, Returning Residents Clean Jobs Training
14 Program, Illinois Climate Works Preapprenticeship Program,
15 or Clean Energy Primes Contractor Accelerator Program and
16 who is offering personal services as an independent
17 contractor.

18 "Equity focused populations" means (i) low-income persons;
19 (ii) persons residing in equity investment eligible
20 communities; (iii) persons who identify as black, indigenous,
21 and people of color; (iv) formerly convicted persons; (v)
22 persons who are or were in the child welfare system; (vi)
23 energy workers; (vii) dependents of displaced energy workers;
24 (viii) women; (ix) LGBTQ+, transgender, or gender
25 nonconforming persons; (x) persons with disabilities; and (xi)
26 members of any of these groups who are also youth.

1 "Equity investment eligible community" and "eligible
2 community" are synonymous and mean the geographic areas
3 throughout Illinois which would most benefit from equitable
4 investments by the State designed to combat discrimination and
5 foster sustainable economic growth. Specifically, the eligible
6 community means the following areas:

7 (1) R3 Areas as established pursuant to Section 10-40
8 of the Cannabis Regulation and Tax Act, where residents
9 have historically been excluded from economic
10 opportunities, including opportunities in the energy
11 sector; and

12 (2) Environmental justice communities, as defined by
13 the Illinois Power Agency pursuant to the Illinois Power
14 Agency Act, but excluding racial and ethnic indicators,
15 where residents have historically been subject to
16 disproportionate burdens of pollution, including pollution
17 from the energy sector.

18 "Equity investment eligible person" and "eligible person"
19 are synonymous and mean the persons who would most benefit
20 from equitable investments by the State designed to combat
21 discrimination and foster sustainable economic growth.
22 Specifically, eligible persons means the following people:

23 (1) persons whose primary residence is in an equity
24 investment eligible community;

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

1 (3) persons who were formerly incarcerated.

2 "Climate Works Hub" means a nonprofit organization
3 selected by the Department to act as a workforce intermediary
4 and to participate in the Illinois Climate Works
5 Preapprenticeship Program. To qualify as a Climate Works Hub,
6 the organization must demonstrate the following:

7 (1) the ability to effectively serve diverse and
8 underrepresented populations, including by providing
9 employment services to such populations;

10 (2) experience with the construction and building
11 trades;

12 (3) the ability to recruit, prescreen, and provide
13 preapprenticeship training to prepare workers for
14 employment in the construction and building trades; and

15 (4) a plan to provide the following:

16 (A) preparatory classes;

17 (B) workplace readiness skills, such as resume
18 preparation and interviewing techniques;

19 (C) strategies for overcoming barriers to entry
20 and completion of an apprenticeship program; and

21 (D) any prerequisites for acceptance into an
22 apprenticeship program.

23 Section 5-10. Findings. The General Assembly finds that
24 the clean energy sector is a growing area of the economy in the
25 State of Illinois. The General Assembly further finds that

1 State investment in the clean energy economy in Illinois can
2 be a vehicle for expanding equitable access to public health,
3 safety, a cleaner environment, quality jobs, and economic
4 opportunity.

5 It is in the public policy interest of the State to ensure
6 that Illinois residents from communities disproportionately
7 impacted by climate change, communities facing coal plant or
8 coal mine closures, and economically disadvantaged communities
9 and individuals experiencing barriers to employment have
10 access to State programs and good jobs and career
11 opportunities in growing sectors of the State economy. To
12 promote those interests in the growing clean energy sector,
13 the General Assembly hereby creates this Act to increase
14 access to and opportunities for education, training, and
15 support services these individuals need to succeed in the
16 labor market generally and the clean energy sector
17 specifically. The General Assembly further finds that the
18 programs included in this Act are essential to equitable,
19 statewide access to quality training, jobs, and economic
20 opportunities across the clean energy sector.

21 Section 5-15. Regional Administrators.

22 (a) Subject to appropriation, the Department shall select
23 3 unique Regional Administrators: one Regional Administrator
24 for coordination of the work in the Northern Illinois Program
25 Delivery Area, one Regional Administrator for coordination of

1 the work in the Central Illinois Program Delivery Area, and
2 one Regional Administrator for coordination of the work in the
3 Southern Illinois Program Delivery Area.

4 (b) The Regional Administrators shall have strong
5 capabilities, experience, and knowledge related to program
6 development and fiscal management; cultural and language
7 competency needed to be effective in their respective
8 communities to be served; expertise in working in and with
9 BIPOC and environmental justice communities; knowledge and
10 experience in working with employer or sectoral partnerships,
11 if applicable, in clean energy or related sectors; and
12 awareness of industry trends and activities, workforce
13 development best practices, regional workforce development
14 needs, regional and industry employers, and community
15 development. The Regional Administrators shall demonstrate a
16 track record of strong partnerships with community-based
17 organizations and labor organizations.

18 (c) The Regional Administrators shall work together to
19 administer the implementation of the Clean Jobs Workforce
20 Network Program, the Illinois Climate Works Preapprenticeship
21 Program, the Clean Energy Contractor Incubator Program, and
22 the Returning Resident Clean Jobs Training Program.

23 Section 5-20. Clean Jobs Workforce Network Program.

24 (a) As used in this Section, "Program" means the Clean
25 Jobs Workforce Network Program.

1 (b) Subject to appropriation, the Department shall develop
2 and, through Regional Administrators, administer the Clean
3 Jobs Workforce Network Program to create a network of 13
4 Program delivery Hub Sites with program elements delivered by
5 community-based organizations and their subcontractors
6 geographically distributed across the State including at least
7 one Hub Site located in or near each of the following areas:
8 Chicago (South Side), Chicago (Southwest and West Sides),
9 Waukegan, Rockford, Aurora, Joliet, Peoria, Champaign,
10 Danville, Decatur, Carbondale, East St. Louis, and Alton.

11 (c) In admitting program participants, for each workforce
12 Hub Site, the Regional Administrators shall:

13 (1) in each Hub Site where the applicant pool allows:

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

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

6 (B) dedicate at least two-thirds of program
7 placements to applicants that satisfy the criteria in
8 paragraph (1) or who reside in a geographic area that
9 is impacted by economic or environmental challenges,
10 defined as an area that is either (i) an R3 Area, as
11 defined pursuant to Section 10-40 of the Cannabis
12 Regulation and Tax Act, or (ii) an environmental
13 justice community, as defined by the Illinois Power
14 Agency, excluding any racial or ethnic indicators used
15 by the agency unless and until the constitutional
16 basis for their inclusion in determining program
17 admissions is established. Among applicants that
18 satisfy these criteria, preference shall be given to
19 applicants who face barriers to employment, such as
20 low educational attainment, prior involvement with the
21 criminal legal system, and language barriers; and
22 applicants that are graduates of or currently enrolled
23 in the foster care system; and

24 (2) prioritize the remaining program placements for:
25 applicants who are displaced energy workers as defined in
26 the Energy Community Reinvestment Act; persons who face

1 barriers to employment, including low educational
2 attainment, prior involvement with the criminal legal
3 system, and language barriers; and applicants who are
4 graduates of or currently enrolled in the foster care
5 system, regardless of the applicant's area of residence.

6 The Department and Regional Administrators shall protect
7 the confidentiality of any personal information provided by
8 program applicants regarding the applicant's status as a
9 formerly incarcerated person or foster care recipient;
10 however, the Department or Regional Administrators may publish
11 aggregated data on the number of participants that were
12 formerly incarcerated or foster care recipients so long as
13 that publication protects the identities of those persons.

14 Any person who applies to the program may elect not to
15 share with the Department or Regional Administrators whether
16 he or she is a graduate or currently enrolled in the foster
17 care system or was formerly convicted.

18 (d) Program elements for each Hub Site shall be provided
19 by a community-based organization. The Department shall
20 initially select a community-based organization in each Hub
21 Site and shall subsequently select a community-based
22 organization in each Hub Site every 3 years. Community-based
23 organizations delivering program elements outlined in
24 subsection (e) may provide all elements required or may
25 subcontract to other entities for provision of portions of
26 program elements, including, but not limited to,

1 administrative soft and hard skills for program participants,
2 delivery of specific training in the core curriculum, or
3 provision of other support functions for program delivery
4 compliance.

5 (e) The Clean Jobs Workforce Hubs Network shall:

6 (1) coordinate with Energy Transition Navigators: (i)
7 to increase participation in the Clean Jobs Workforce
8 Network Program and clean energy and related sector
9 workforce and training opportunities; (ii) coordinate
10 recruitment, communications, and ongoing engagement with
11 potential employers, including, but not limited to,
12 activities such as job matchmaking initiatives, hosting
13 events such as job fairs, and collaborating with other Hub
14 Sites to identify and implement best practices for
15 employer engagement; and (iii) leverage community-based
16 organizations, educational institutions, and
17 community-based and labor-based training providers to
18 ensure program-eligible individuals across the State have
19 dedicated and sustained support to enter and complete the
20 career pipeline for clean energy and related sector jobs;

21 (2) develop formal partnerships, including formal
22 sector partnerships between community-based organizations
23 and entities that provide clean energy jobs, including
24 businesses, nonprofit organizations, and worker-owned
25 cooperatives, to ensure that Program participants have
26 priority access to employment training and hiring

1 opportunities; and

2 (3) implement the Clean Jobs Curriculum to provide,
3 including, but not limited to, training, certification
4 preparation, job readiness, and skill development,
5 including soft skills, math skills, technical skills,
6 certification test preparation, and other development
7 needed, to Program participants.

8 (f) Funding for the Program is subject to appropriation
9 from the Energy Transition Assistance Fund.

10 (g) The Department shall require submission of quarterly
11 reports, including program performance metrics by each Hub
12 Site to the Regional Administrator of their Program Delivery
13 Area. Program performance metrics include, but are not limited
14 to:

15 (1) demographic data, including racial, gender,
16 residency in eligible communities, and geographic
17 distribution data, on Program trainees entering and
18 graduating the Program;

19 (2) demographic data, including racial, gender,
20 residency in eligible communities, and geographic
21 distribution data, on Program trainees who are placed in
22 employment, including the percentages of trainees by race,
23 gender, and geographic categories in each individual job
24 type or category and whether employment is union,
25 nonunion, or nonunion via temporary agency;

26 (3) trainee job acquisition and retention statistics,

1 including the duration of employment (start and end dates
2 of hires) by race, gender, and geography;

3 (4) hourly wages, including hourly overtime pay rate,
4 and benefits of trainees placed into employment by race,
5 gender, and geography;

6 (5) percentage of jobs by race, gender, and geography
7 held by Program trainees or graduates that are full-time
8 equivalent positions, meaning that the position held is
9 full-time, direct, and permanent based on 2,080 hours
10 worked per year (paid directly by the employer, whose
11 activities, schedule, and manner of work the employer
12 controls, and receives pay and benefits in the same manner
13 as permanent employees); and

14 (6) qualitative data consisting of open-ended
15 reporting on pertinent issues, including, but not limited
16 to, qualitative descriptions accompanying metrics or
17 identifying key successes and challenges.

18 (h) Within 3 years after the effective date of this Act,
19 the Department shall select an independent evaluator to review
20 and prepare a report on the performance of the Program and
21 Regional Administrators.

22 Section 5-25. Clean Jobs Curriculum.

23 (a) As used in this Section, "clean energy jobs", subject
24 to administrative rules, means jobs in the solar energy, wind
25 energy, energy efficiency, energy storage, solar thermal,

1 green hydrogen, geothermal, electric vehicle industries, other
2 renewable energy industries, industries achieving emission
3 reductions, and other related sectors including related
4 industries that manufacture, develop, build, maintain, or
5 provide ancillary services to renewable energy resources or
6 energy efficiency products or services, including the
7 manufacture and installation of healthier building materials
8 that contain fewer hazardous chemicals. "Clean energy jobs"
9 includes administrative, sales, other support functions within
10 these industries and other related sector industries.

11 (b) The Department shall convene a comprehensive
12 stakeholder process that includes representatives from the
13 State Board of Education, the Illinois Community College
14 Board, the Department of Labor, community-based organizations,
15 workforce development providers, labor unions, building
16 trades, educational institutions, residents of BIPOC and
17 low-income communities, residents of environmental justice
18 communities, clean energy businesses, nonprofit organizations,
19 worker-owned cooperatives, other groups that provide clean
20 energy jobs opportunities, groups that provide construction
21 and building trades job opportunities, and other participants
22 to identify the career pathways and training curriculum needed
23 for participants to be skilled, work ready, and able to enter
24 clean energy jobs. The curriculum shall:

- 25 (1) identify the core training curricular competency
26 areas needed to prepare workers to enter clean energy and

1 related sector jobs;

2 (2) identify a set of required core cross-training
3 competencies provided in each training area for clean
4 energy jobs with the goal of enabling any trainee to
5 receive a standard set of skills common to multiple
6 training areas that would provide a foundation for
7 pursuing a career composed of multiple clean energy job
8 types;

9 (3) include approaches to integrate broad occupational
10 training to provide career entry into the general
11 construction and building trades sector and any remedial
12 education and work readiness support necessary to achieve
13 educational and professional eligibility thresholds; and

14 (4) identify on-the-job training formats, where
15 relevant, and identify suggested trainer certification
16 standards, where relevant.

17 (c) The Department shall publish a report that includes
18 the findings, recommendations, and core curriculum identified
19 by the stakeholder group and shall post a copy of the report on
20 its public website. The Department shall convene the process
21 described to update and modify the recommended curriculum
22 every 3 years to ensure the curriculum contents are current to
23 the evolving clean energy industries, practices, and
24 technologies.

25 (d) Organizations that receive funding to provide training
26 under the Clean Jobs Workforce Network Program, including, but

1 not limited to, community-based and labor-based training
2 providers, and educational institutions must use the core
3 curriculum that is developed under this Section.

4 Section 5-30. Energy Transition Barrier Reduction Program.

5 (a) As used in this Section, "Program" means the Energy
6 Transition Barrier Reduction Program.

7 (b) Subject to appropriation, the Department shall create
8 and administer an Energy Transition Barrier Reduction Program.
9 The Program shall be used to provide supportive services for
10 individuals impacted by the energy transition. Services
11 allowed are intended to help eligible individuals overcome
12 financial and other barriers to participation in the Clean
13 Jobs Workforce Network Program and the Illinois Climate Works
14 Preapprenticeship Program.

15 (c) The Program shall be available to individuals eligible
16 for participation in the Clean Jobs Workforce Network Program
17 or Illinois Climate Works Preapprenticeship Program.

18 (d) The Department shall determine appropriate allowable
19 program costs, elements, and financial supports to reduce
20 barriers to successful participation in the Clean Jobs
21 Workforce Program and the Illinois Climate Works
22 Preapprenticeship Program for individuals eligible for these
23 programs.

24 (e) Community-based organizations and other nonprofits
25 selected by the Department shall provide supportive services

1 described in this Section to eligible individuals
2 participating in the Clean Jobs Workforce Network Program and
3 Illinois Climate Works Preapprenticeship Program.

4 (f) The community-based organizations that provide support
5 services under this Section shall coordinate with the Energy
6 Transition Navigators to ensure eligible individuals have
7 access to these services.

8 (g) Funding for the Program is subject to appropriation
9 from the Energy Transition Assistance Fund.

10 Section 5-35. Energy Transition Navigators.

11 (a) As used in this Section:

12 "Community-based provider" means a not-for-profit
13 organization that has a history of serving low-wage or
14 low-skilled workers or individuals from economically
15 disadvantaged communities.

16 "Economically disadvantaged community" means areas of one
17 or more census tracts where the average household income does
18 not exceed 80% of the area median income.

19 (b) In order to engage eligible individuals to participate
20 in the Clean Jobs Workforce Network Program, the Illinois
21 Climate Works Preapprenticeship Program, Returning Residents
22 Clean Jobs Program, Clean Energy Contractor Incubator Program,
23 and Clean Energy Primes Contractor Accelerator Program and
24 utilize the services offered under the Energy Transition
25 Barrier Reduction Program, the Department shall, subject to

1 appropriation, contract with community-based providers to
2 serve as Energy Transition Navigators. Energy Transition
3 Navigators shall provide education, outreach, and recruitment
4 services to equity focused populations, prioritizing
5 individuals eligible for the Clean Jobs Workforce Network
6 Program or Illinois Climate Works Preapprenticeship Program,
7 to make sure they are aware of and engaged in the statewide and
8 local workforce development systems. Additional strategies may
9 include, but are not limited to, recruitment activities and
10 events.

11 (c) For members of equity focused populations,
12 prioritizing individuals eligible for the Clean Jobs Workforce
13 Network Program or Illinois Climate Works Preapprenticeship
14 Program, who may be interested in entrepreneurial pursuits,
15 Energy Transition Navigators may connect these individuals
16 with their area Small Business Development Center, Procurement
17 Technical Assistance Centers, or economic development
18 organization to engage in services, including, but not limited
19 to, business consulting, business planning, regulatory
20 compliance, marketing, training, accessing capital, government
21 bid, and certification assistance.

22 (d) Energy Transition Navigators shall engage equity
23 focused populations, prioritizing individuals eligible for the
24 Clean Jobs Workforce Network Program or Illinois Climate Works
25 Preapprenticeship Program, organizations working with these
26 populations, local workforce innovation boards, and other

1 relevant stakeholders to coordinate outreach initiatives to
2 promote information regarding programs and services offered
3 under the Clean Jobs Workforce Network Program, the Illinois
4 Climate Works Preapprenticeship Program, and the Energy
5 Transition Barrier Reduction Program. Energy Transition
6 Navigators shall provide support where reasonable to
7 individuals and entities applying for these services and
8 programs.

9 (e) Community education, outreach, and recruitment
10 regarding the Clean Jobs Workforce Network Program, the
11 Illinois Climate Works Preapprenticeship Program, and Energy
12 Transition Barrier Reduction Program shall be targeted to the
13 equity focused populations, prioritizing individuals eligible
14 for the Clean Jobs Workforce Network Program or Illinois
15 Climate Works Preapprenticeship Program.

16 (f) Community-based providers shall partner with
17 educational institutions or organizations working with equity
18 focused populations, local employers, labor unions, and others
19 to identify members of equity focused populations in eligible
20 communities who are unable to advance in their careers due to
21 inadequate skills. Community-based providers shall provide
22 information and consultation to equity focused populations,
23 prioritizing individuals eligible for the Clean Jobs Workforce
24 Network Program or Illinois Climate Works Preapprenticeship
25 Program, on various educational opportunities and supportive
26 services available to them.

1 (g) Community-based providers shall establish partnerships
2 with employers, educational institutions, local economic
3 development organizations, environmental justice
4 organizations, trades groups, labor unions, and entities that
5 provide jobs, including businesses and other nonprofit
6 organizations, to target the skill needs of local industry.
7 The community-based provider shall work with local workforce
8 innovation boards and other relevant partners to develop skill
9 curriculum and career pathway support for disadvantaged
10 individuals in equity focused populations, prioritizing
11 individuals eligible for the Clean Jobs Workforce Network
12 Program or Illinois Climate Works Preapprenticeship Program,
13 that meets local employers' needs and establishes job
14 placement opportunities after training.

15 (h) Funding for the Program is subject to appropriation
16 from the Energy Transition Assistance Fund. Priority in
17 awarding grants under this Section will be given to
18 organizations that also have experience serving populations
19 impacted by climate change.

20 (i) Each community-based organization that receives
21 funding from the Department as an Energy Transition Navigator
22 shall provide an annual report to the Department by April 1 of
23 each calendar year. The annual report shall include the
24 following information:

25 (1) a description of the community-based
26 organization's recruitment, screening, and training

1 efforts;

2 (2) the number of individuals who apply to,
3 participate in, and complete programs offered through the
4 Energy Transition Workforce Program, broken down by race,
5 gender, age, and location; and

6 (3) any other information deemed necessary by the
7 Department.

8 Section 5-40. Illinois Climate Works Preapprenticeship
9 Program.

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

24 (b) Each Climate Works Hub that receives funding from the
25 Energy Transition Assistance Fund shall provide an annual

1 report to the Illinois Works Review Panel by April 1 of each
2 calendar year. The annual report shall include the following
3 information:

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

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

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

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

21 (c) Subject to appropriation, the Department shall provide
22 funding to 3 Climate Works Hubs throughout the State,
23 including one to the Illinois Department of Transportation
24 Region 1, one to the Illinois Department of Transportation
25 Regions 2 and 3, and one to the Illinois Department of
26 Transportation Regions 4 and 5. The Department shall initially

1 select a community-based provider in each region and shall
2 subsequently select a community-based provider in each region
3 every 3 years.

4 (d) The Climate Works Hubs shall recruit, prescreen, and
5 provide preapprenticeship training to equity investment
6 eligible persons. This training shall include information
7 related to opportunities and certifications relevant to clean
8 energy jobs in the construction and building trades.

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

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

13 Section 5-45. Clean Energy Contractor Incubator Program.

14 (a) As used in this Section, "community-based
15 organization" means a nonprofit organization, including an
16 accredited public college or university that:

17 (1) has a history of providing business-related
18 assistance and knowledge to help entrepreneurs start, run,
19 and grow their businesses;

20 (2) has knowledge of construction and clean energy
21 trades;

22 (3) demonstrates relationships with local residents
23 and other organizations serving the community; and

24 (4) demonstrates the ability to effectively serve
25 diverse and underrepresented populations.

1 (b) Subject to appropriation, the Department shall
2 develop, and through the Regional Administrators, administer
3 the Clean Energy Contractor Incubator Program ("Program") to
4 create a network of 13 Program delivery Hub Sites with program
5 elements delivered by community-based organizations and their
6 subcontractors geographically distributed across the State,
7 including at least one Hub Site located in or near each of the
8 following areas: Chicago (South Side), Chicago (Southwest and
9 West Sides), Waukegan, Rockford, Aurora, Joliet, Peoria,
10 Champaign, Danville, Decatur, Carbondale, East St. Louis, and
11 Alton.

12 (c) In admitting program participants, for each Contractor
13 Incubator Hub Site the Regional Administrators shall:

14 (1) in each Hub Site where the applicant pool allows:

15 (A) dedicate at least one-third of program
16 placements to the owners of clean energy contractor
17 businesses and nonprofits who reside in a geographic
18 area that is impacted by economic and environmental
19 challenges, defined as an area that is both (i) an R3
20 Area, as defined pursuant to Section 10-40 of the
21 Cannabis Regulation and Tax Act, and (ii) an
22 environmental justice community, as defined by the
23 Illinois Power Agency, excluding any racial or ethnic
24 indicators used by the agency unless and until the
25 constitutional basis for their inclusion in
26 determining program admissions is established. Among

1 applicants that satisfy these criteria, preference
2 shall be given to applicants who face barriers to
3 employment, such as low educational attainment, prior
4 involvement with the criminal legal system, and
5 language barriers; and applicants that are graduates
6 of or currently enrolled in the foster care system;
7 and

8 (B) dedicate at least two-thirds of program
9 placements to the owners of clean energy contractor
10 businesses and nonprofits that satisfy the criteria in
11 paragraph (1) or who reside in eligible communities.
12 Among applicants who live in eligible communities,
13 preference shall be given to applicants who face
14 barriers to employment, such as low educational
15 attainment, prior involvement with the criminal legal
16 system, and language barriers; and applicants that are
17 graduates of or currently enrolled in the foster care
18 system; and

19 (2) prioritize the remaining program placements for:
20 applicants who are displaced energy workers as defined in
21 the Energy Community Reinvestment Act; persons who face
22 barriers to employment, including low educational
23 attainment, prior involvement with the criminal legal
24 system, and language barriers; and applicants who are
25 graduates of or currently enrolled in the foster care
26 system, regardless of the applicants' area of residence.

1 Consideration shall also be given to any current or past
2 participant in the Clean Jobs Workforce Network Program,
3 Illinois Climate Works Preapprenticeship Program, or Returning
4 Residents Clean Energy Jobs Training Program.

5 The Department and Regional Administrators shall protect
6 the confidentiality of any personal information provided by
7 program applicants regarding the applicant's status as a
8 formerly incarcerated person or foster care recipient;
9 however, the Department or Regional Administrators may publish
10 aggregated data on the number of participants that were
11 formerly incarcerated or foster care recipients so long as
12 that publication protects the identities of those persons.

13 Any person who applies to the program may elect not to
14 share with the Department or Regional Administrators whether
15 he or she is a graduate or currently enrolled in the foster
16 care system or was formerly convicted.

17 (d) Program elements at each Hub Site shall be provided by
18 a local community-based organization. The Department shall
19 initially select a community-based organization in each Hub
20 Site and shall subsequently select a community-based
21 organization in each Hub Site every 3 years. Community-based
22 organizations delivering program elements outlined in
23 subsection (e) may provide all elements required or may
24 subcontract to other entities for provision of portions of
25 program elements, including, but not limited to,
26 administrative soft and hard skills for program participants,

1 delivery of specific training in the core curriculum, or
2 provision of other support functions for program delivery
3 compliance.

4 (e) The Clean Energy Contractor Incubator Program shall:

5 (1) provide access to low-cost capital for small clean
6 energy businesses and contractors;

7 (2) provide support for obtaining financial assurance,
8 including, but not limited to: bonding; back office
9 services; insurance, permits, training and certifications;
10 business planning; and low-interest loans;

11 (3) train, mentor, and provide other support needed to
12 allow participant contractors to: (i) build their
13 businesses and connect to specific projects, (ii) register
14 as approved vendors, (iii) engage in approved vendor
15 subcontracting and qualified installer opportunities, (iv)
16 develop partnering and networking skills, (v) compete for
17 capital and other resources, and (vi) execute clean
18 energy-related project installations and subcontracts;

19 (4) ensure that participant contractors, community
20 partners, and potential contractor clients are aware of
21 and engaged in the Program;

22 (5) connect participant contractors with the
23 Department of Labor for resources, training, and technical
24 support on prevailing wage compliance;

25 (6) provide recruitment and ongoing engagement with
26 entities that hire contractors and subcontractors,

1 programs providing renewable energy resource-related
2 projects, incentive programs, and approved vendor and
3 qualified installer opportunities, including, but not
4 limited to, activities such as matchmaking, events, and
5 collaborating with other Hub Sites.

6 (f) Funding for the Program and independent evaluations as
7 described in subsection (h) are subject to appropriation from
8 the Energy Transition Assistance Fund.

9 (g) The Department shall require submission of quarterly
10 reports including program performance metrics by each Hub Site
11 to the Regional Administrator of their Program Delivery Area.
12 Program performance metrics include, but are not limited to:

13 (1) demographic data including: race, gender,
14 geographic location, R3 residency, Environmental Justice
15 Community residency, foster care system participation, and
16 justice-involvement for the owners of contractors
17 applying, accepted into, and graduating from the Program;

18 (2) the number of projects completed by participant
19 contractors, alone or in partnership, by race, gender,
20 geographic location, R3 residency, Environmental Justice
21 Community residency, foster care system participation, and
22 justice-involvement for the owners of contractors;

23 (3) the number of partnerships with participant
24 contractors that are expected to result in contracts for
25 work by the participant contractor, by race, gender,
26 geographic location, R3 residency, Environmental Justice

1 Community residency, foster care system participation, and
2 justice-involvement for the owners of contractors;

3 (4) changes in participant contractors' business
4 revenue, by race, gender, geographic location, R3
5 residency, Environmental Justice Community residency,
6 foster care system participation, and justice-involvement
7 for the owners of contractors;

8 (5) the number of new hires by participant
9 contractors, by race, gender, geographic location, R3
10 residency, Environmental Justice Community residency,
11 foster care system participation, and justice-involvement;

12 (6) demographic data, including race, gender,
13 geographic location, R3 residency, Environmental Justice
14 Community residency, foster care system participation, and
15 justice-involvement, and average wage data, for new hires
16 by participant contractors;

17 (7) certifications held by participant contractors,
18 and number of participants holding each certification,
19 including, but not limited to, registration under the
20 Business Enterprise for Minorities, Women, and Persons
21 with Disabilities Act program and other programs intended
22 to certify BIPOC entities;

23 (8) the number of Program sessions attended by
24 participant contractors, aggregated by race; and

25 (9) indicators relevant for assessing the general
26 financial health of participant contractors.

1 (h) Within 3 years after the effective date of this Act,
2 the Department shall select an independent evaluator to review
3 and prepare a report on the performance of the Program and
4 Regional Administrators. The report shall be posted publicly.

5 Section 5-50. Returning Residents Clean Jobs Training
6 Program.

7 (a) Subject to appropriation, the Department shall develop
8 and, in coordination with the Department of Corrections,
9 administer the Returning Residents Clean Jobs Training
10 Program.

11 (b) As used in this Section:

12 "Commitment" means a judicially determined placement in
13 the custody of the Department of Corrections on the basis of a
14 conviction.

15 "Committed person" means a person committed to the
16 Department of Corrections.

17 "Community-based organization" means an organization that:

18 (1) provides employment, skill development, or related
19 services to members of the community;

20 (2) includes community colleges, nonprofits, and local
21 governments; and

22 (3) has a history of serving committed persons or
23 justice-involved persons.

24 "Correctional institution or facility" means a Department
25 of Corrections building or part of a Department of Corrections

1 building where committed persons are detained in a secure
2 manner.

3 "Department" means the Department of Commerce and Economic
4 Opportunity.

5 "Discharge" means the end of a sentence or the final
6 termination of a detainee's physical commitment to and
7 confinement in the Department of Corrections.

8 "Program" means the Returning Residents Clean Jobs
9 Training Program.

10 "Program Administrator" means, for each Program Delivery
11 Area, the administrator selected by the Department pursuant to
12 paragraph (1) of subsection (g) of this Section.

13 "Returning resident" means any United States resident who
14 is: (i) 17 years of age or older; (ii) in the physical custody
15 of the Department of Corrections; and (iii) scheduled to be
16 re-entering society within 36 months.

17 (c) Returning Residents Clean Jobs Training Program.

18 (1) Connected services. The Program shall prepare
19 graduates to work in the clean energy and related sector
20 jobs as defined in Section 5-25.

21 (2) Recruitment of participants. The Program
22 Administrators shall, in coordination with the Department
23 of Commerce and Economic Opportunity, educate committed
24 persons in both men's and women's correctional
25 institutions and facilities on the benefits of the Program
26 and how to enroll in the Program.

1 (3) Connection to employers. The Program
2 Administrators shall, with assistance from the Regional
3 Administrators, connect Program graduates with potential
4 employers in the clean energy jobs industries.

5 (4) Graduation. Participants who successfully complete
6 all assignments in the Program shall receive a Program
7 graduation certificate and any certifications or
8 credentials earned in the process.

9 (5) Eligibility. A committed person in a correctional
10 institution or facility is eligible if the committed
11 person:

12 (i) is within 36 months of expected release;

13 (ii) consented in writing to participation in the
14 Program;

15 (iii) meets all Program and testing requirements;

16 (iv) is willing to follow all Program
17 requirements; and

18 (v) does not pose a safety and security risk for
19 the facility or any person.

20 The Department of Corrections shall have sole discretion
21 to determine whether a committed person's participation in the
22 Program poses a safety and security risk for the facility or
23 any person. The Department of Corrections shall determine
24 whether a committed person is eligible to participate in the
25 Program.

26 (d) Program entry and testing requirements. To enter the

1 Returning Residents Clean Jobs Training Program, committed
2 persons must complete a simple application, undergo an
3 interview and coaching session, and must score a minimum of a
4 6.0 or above on the Test for Adult Basic Education or the
5 Illinois Community College Board approved assessment for
6 determining basic skills deficiency. The Returning Residents
7 Clean Jobs Training Program shall include a one-week
8 pre-program orientation that ensures the candidates understand
9 and are interested in continuing the Program. Candidates that
10 successfully complete the orientation may continue to the full
11 Program.

12 (d-5) Training. Once approved for the new program,
13 candidates must receive essential employability skills
14 training as part of vocational or occupational training.
15 Training must lead to certifications or credentials that
16 prepare candidates for employment.

17 (e) Removal from the Program. The Department of
18 Corrections may remove a committed person enrolled in the
19 Program for violation of institutional rules; failure to
20 participate or meet expectations of the Program; failure of a
21 drug test; disruptive behavior; or for reasons of safety,
22 security, and order of the facility.

23 (f) Drug testing. A clean drug test is required to
24 complete the Returning Residents Clean Jobs Training Program.
25 A drug test shall be administered at least once prior to
26 graduation. The Department of Corrections shall be responsible

1 for the drug testing of applicants.

2 (g) Curriculum.

3 (1) The Department of Commerce and Economic
4 Opportunity shall design a curriculum for the Program that
5 is as similar as practical to the Clean Jobs Curriculum
6 and meets in-facility requirements. The curriculum shall
7 focus on preparing graduates for employment in the clean
8 energy and related sector jobs as defined in Section 5-25.
9 The Program shall include structured hands-on activities
10 in correctional institutions or facilities, including
11 classroom spaces and outdoor spaces, to instruct
12 participants in the core curriculum established in this
13 Act. The Department and the Department of Corrections
14 shall work together to ensure all curriculum elements may
15 be available within Department of Corrections facilities.

16 (2) The Program Administrators shall collaborate to
17 create and publish a guidebook that allows for the
18 implementation of the curriculum and provides information
19 on all necessary and useful resources for Program
20 participants and graduates.

21 (h) Program administration.

22 (1) The Department of Commerce and Economic
23 Opportunity shall select a Program Administrator for each
24 Program Delivery Area to administer and coordinate the
25 Program. The Program Administrators shall have strong
26 capabilities, experience, and knowledge related to program

1 development and economic management; cultural and language
2 competency needed to be effective in the communities to be
3 served; committed persons or justice-involved persons;
4 knowledge and experience in working with providers of
5 clean energy jobs; and awareness of clean energy and
6 related sector trends and activities, workforce
7 development best practices, regional workforce development
8 needs, and community development.

9 The Program Administrator must pass a background check
10 administered by the Department of Corrections and be
11 approved by the Department of Corrections to work within a
12 secure facility prior to being hired by the Department of
13 Commerce and Economic Opportunity for a Program delivery
14 area.

15 (2) The Program Administrators shall:

16 (i) coordinate with Regional Administrators and
17 the Clean Jobs Workforce Network Program to ensure
18 that execution, performance, partnerships, marketing,
19 and Program access across the State consistent with
20 respecting regional differences;

21 (ii) work with community-based organizations
22 approved to provide industry-recognized credentials or
23 education institutions to deliver the Program;

24 (iii) collaborate to create and publish an
25 employer "Hiring Returning Residents" handbook that
26 includes benefits and expectations of hiring returning

1 residents, guidance on how to recruit, hire, and
2 retain returning residents, guidance on how to access
3 State and federal tax credits and incentives and State
4 and federal resources, guidance on how to update
5 company policies to support hiring and supporting
6 returning residents, and an understanding of the harm
7 in one-size-fits-all policies toward returning
8 residents. The handbook shall be updated every 5 years
9 or more frequently if needed to ensure that its
10 contents are accurate. The handbook shall be made
11 available on the Department's website;

12 (iv) work with potential employers to promote
13 company policies to support hiring and supporting
14 returning residents via employee/employer liability,
15 coverage, insurance, bonding, training, hiring
16 practices, and retention support;

17 (v) provide services such as job coaching and
18 financial coaching to Program graduates to support
19 employment longevity; and

20 (vi) identify clean energy job opportunities and
21 assist participants in achieving employment. The
22 Program shall include at least one job fair; include
23 job placement discussions with clean energy employers;
24 establish a partnership with Illinois solar energy
25 businesses and trade associations to identify solar
26 employers that support and hire returning residents;

1 and involve the Department of Commerce and Economic
2 Opportunity, Regional Administrators, and the Advisory
3 Council in finding employment for participants and
4 graduates in the clean energy and related sector
5 industries.

6 (3) The Department shall select community-based
7 organizations to provide Program elements at each
8 facility. Community-based organizations shall be
9 competitively selected by the Department of Commerce and
10 Economic Opportunity. Community-based organizations
11 delivering the Program elements outlined may provide all
12 elements required or may subcontract to other entities for
13 the provision of portions of Program elements. All
14 contractors who have regular interactions with committed
15 persons, regularly access a Department of Corrections
16 facility, or regularly access a committed person's
17 personal identifying information or other data elements
18 must pass a Department of Corrections background check
19 prior to being approved to administer the Program elements
20 at a facility.

21 (4) The Department of Corrections shall aim to include
22 training in conjunction with other pre-release procedures
23 and movements. Delays in a workshop being provided shall
24 not cause delays in discharge.

25 (5) The Program Administrators may establish shortened
26 Returning Resident Clean Jobs Training Programs to prepare

1 and place graduates in the Clean Jobs Workforce Network
2 Program or the Illinois Climate Works Preapprenticeship
3 Program following the graduate's release from commitment.
4 Graduates of these programs shall receive training that
5 leads to certification or credentials designed to lead to
6 employment and shall be prioritized for placement in a
7 Clean Jobs Workforce Hubs training program or the Illinois
8 Climate Works Preapprenticeship Program.

9 (6) The Director of Corrections shall:

10 (i) Ensure that the wardens or superintendents of
11 all correctional institutions and facilities visibly
12 post information on the Program in an accessible
13 manner for committed individuals.

14 (ii) Identify the institutions and facilities
15 within the Department of Corrections that will offer
16 the Program. The determination of which facility will
17 offer the Program shall be based on available
18 programming space, staffing, population, facility
19 mission, security concerns, and any other relevant
20 factor in determining suitable locations for the
21 Program.

22 (i) Performance metrics.

23 (1) The Program Administrators shall collect data to
24 evaluate and ensure Program and participant success,
25 including:

26 (i) the number of returning residents who enrolled

1 in the Program;

2 (ii) the number of returning residents who
3 completed the Program;

4 (iii) the total number of individuals discharged;

5 (iv) the demographics of each entering and
6 graduating class;

7 (v) the percentage of graduates employed at 6 and
8 12 months after release;

9 (vi) the recidivism rate of Program participants
10 at 3 and 5 years after release;

11 (vii) the candidates interviewed and hiring
12 status;

13 (viii) the graduate employment status, such as
14 hire date, pay rates, whether full-time, part-time, or
15 seasonal, and separation date; and

16 (ix) continuing education and certifications
17 gained by Program graduates.

18 (2) The Department of Commerce and Economic
19 Opportunity shall publish an annual report containing
20 these performance metrics. Data may be disaggregated by
21 institution, discharge, or residence address of resident,
22 and other factors.

23 (j) Funding. Funding for the Program is subject to
24 appropriation from the Energy Transition Assistance Fund.
25 Funding may be made available from other lawful sources,
26 including donations, grants, and federal incentives.

1 (k) Access. The Program instructors and staff must pass a
2 background check administered by the Department of Corrections
3 prior to entering a Department of Corrections institution or
4 facility. The Warden or Superintendent shall have the
5 authority to deny a Program instructor or staff member entry
6 into an institution or facility for safety and security
7 concerns or failure to follow all facility procedures or
8 protocols. A Program instructor or staff member administering
9 the Program may be terminated or have his or her contract
10 canceled if the Program instructor or staff member is denied
11 entry into an institution or facility for safety and security
12 concerns.

13 Section 5-55. Clean Energy Primes Contractor Accelerator
14 Program.

15 (a) As used in this Section:

16 "Approved vendor" means the definition of that term used
17 and as may be updated by the Illinois Power Agency.

18 "Minority business" means a minority-owned business as
19 defined in Section 2 of the Business Enterprise for
20 Minorities, Women, and Persons with Disabilities Act.

21 "Minority Business Enterprise certification" means the
22 certification or recognition certification affidavit from the
23 State of Illinois Department of Central Management Services
24 Business Enterprise Program or a program with equivalent
25 requirements.

1 "Program" means the Clean Energy Primes Contractor
2 Accelerator Program.

3 "Returning resident" has the meaning given to that term in
4 Section 5-50 of this Act.

5 (b) Subject to appropriation, the Department shall
6 develop, and through a Primes Program Administrator and
7 Regional Primes Program Leads described in this Section,
8 administer the Clean Energy Primes Contractor Accelerator
9 Program. The Program shall be administered in 3 program
10 delivery areas: the Northern Illinois Program Delivery Area
11 covering Northern Illinois, the Central Illinois Program
12 Delivery Area covering Central Illinois, and the Southern
13 Illinois Program Delivery Area covering Southern Illinois.
14 Prior to developing the Program, the Department shall solicit
15 public comments, with a 30-day comment period, to gather input
16 on Program implementation and associated community outreach
17 options.

18 (c) The Program shall be available to selected contractors
19 who best meet the following criteria:

20 (1) 2 or more years of experience in a clean energy or
21 a related contracting field;

22 (2) at least \$5,000 in annual business; and

23 (3) a substantial and demonstrated commitment of
24 investing in and partnering with individuals and
25 institutions in equity investment eligible communities.

26 (c-5) The Department shall develop scoring criteria to

1 select contractors for the Program, which shall consider:

2 (1) projected hiring and industry job creation,
3 including wage and benefit expectations;

4 (2) a clear vision of strategic business growth and
5 how increased capitalization would benefit the business;

6 (3) past project work quality and demonstration of
7 technical knowledge;

8 (4) capacity the applicant is anticipated to bring to
9 project development;

10 (5) willingness to assume risk;

11 (6) anticipated revenues from future projects;

12 (7) history of commitment to advancing equity as
13 demonstrated by, among other things, employment of or
14 ownership by equity investment eligible persons and a
15 history of partnership with equity focused community
16 organizations or government programs; and

17 (8) business models that build wealth in the larger
18 underserved community.

19 Applicants for Program participation shall be allowed to
20 reapply for a future cohort if they are not selected, and the
21 Primes Program Administrator shall inform each applicant of
22 this option.

23 (d) The Department, in consultation with the Primes
24 Program Administrator and Regional Primes Program Leads, shall
25 select a new cohort of participant contractors from each
26 Program Delivery Area every 18 months. Each regional cohort

1 shall include between 3 and 5 participants. The Program shall
2 cap contractors in the energy efficiency sector at 50% of
3 available cohort spots and 50% of available grants and loans,
4 if possible.

5 (e) The Department shall hire a Primes Program
6 Administrator with experience in leading a large
7 contractor-based business in Illinois; coaching and mentoring;
8 the Illinois clean energy industry; and working with equity
9 investment eligible community members, organizations, and
10 businesses.

11 (f) The Department shall select 3 Regional Primes Program
12 Leads who shall report directly to the Primes Program
13 Administrator. The Regional Primes Program Leads shall be
14 located within their Program Delivery Area and have experience
15 in leading a large contractor-based business in Illinois;
16 coaching and mentoring; the Illinois clean energy industry;
17 developing relationships with companies in the Program
18 Delivery Area; and working with equity investment eligible
19 community members, organizations, and businesses.

20 (g) The Department may determine how Program elements will
21 be delivered or may contract with organizations with
22 experience delivering the Program elements described in
23 subsection (h) of this Section.

24 (h) The Clean Energy Primes Contractor Accelerator Program
25 shall provide participants with:

26 (1) a 5-year, 6-month progressive course of one-on-one

1 coaching to assist each participant in developing an
2 achievable 5-year business plan, including review of
3 monthly metrics, and advice on achieving participant's
4 goals;

5 (2) operational support grants not to exceed
6 \$1,000,000 annually to support the growth of participant
7 contractors with access to capital for upfront project
8 costs and pre-development funding, among others. The
9 amount of the grant shall be based on anticipated project
10 size and scope;

11 (3) business coaching based on the participant's
12 needs;

13 (4) a mentorship of approximately 2 years provided by
14 a qualified company in the participant's field;

15 (5) access to Clean Energy Contractor Incubator
16 Program services;

17 (6) assistance with applying for Minority Business
18 Enterprise certification and other relevant certifications
19 and approved vendor status for programs offered by
20 utilities or other entities;

21 (7) assistance with preparing bids and Request for
22 Proposal applications;

23 (8) opportunities to be listed in any relevant
24 directories and databases organized by the Department of
25 Central Management Services;

26 (9) opportunities to connect with participants in

1 other Department programs;

2 (10) assistance connecting with and initiating
3 participation in the Illinois Power Agency's Adjustable
4 Block program, the Illinois Solar for All Program, and
5 utility programs; and

6 (11) financial development assistance programs such as
7 zero-interest and low-interest loans with the Climate Bank
8 as established by Article 850 of the Illinois Finance
9 Authority Act or a comparable financing mechanism. The
10 Illinois Finance Authority shall retain authority to
11 determine loan repayment terms and conditions.

12 (i) The Primes Program Administrator shall:

13 (1) collect and report performance metrics as
14 described in this Section;

15 (2) review and assess:

16 (i) participant work plans and annual goals; and

17 (ii) the mentorship program, including approved
18 mentor companies and their stipend awards; and

19 (3) work with the Regional Primes Program Leads to
20 publicize the Program; design and implement a mentorship
21 program; and ensure participants are quickly on-boarded.

22 (j) The Regional Primes Program Leads shall:

23 (1) publicize the Program; the budget shall include
24 funds to pay community-based organizations with a track
25 record of working with equity investment eligible
26 communities to complete this work;

- 1 (2) recruit qualified Program applicants;
- 2 (3) assist Program applicants with the application
3 process;
- 4 (4) introduce participants to the Program offerings;
- 5 (5) conduct entry and annual assessments with
6 participants to identify training, coaching, and other
7 Program service needs;
- 8 (6) assist participants in developing goals on entry
9 and annually, and assessing progress toward meeting the
10 goals;
- 11 (7) establish a metric reporting system with each
12 participant and track the metrics for progress against the
13 contractor's work plan and Program goals;
- 14 (8) assist participants in receiving their Minority
15 Business Enterprise certification and any other relevant
16 certifications and approved vendor statuses;
- 17 (9) match participants with Clean Energy Contractor
18 Incubator Program offerings and individualized expert
19 coaching, including training on working with returning
20 residents and companies that employ them;
- 21 (10) pair participants with a mentor company;
- 22 (11) facilitate connections between participants and
23 potential subcontractors and employees;
- 24 (12) dispense a participant's awarded operational
25 grant funding;
- 26 (13) connect participants to zero-interest and

1 low-interest loans from the Climate Bank as established by
2 Article 850 of the Illinois Finance Authority Act or a
3 comparable financing mechanism;

4 (14) encourage participants to apply for appropriate
5 State and private business opportunities;

6 (15) review a participant's progress and make a
7 recommendation to the Department about whether the
8 participant should continue in the Program, be considered
9 a Program graduate, and whether adjustments should be made
10 to a participant's grant funding, loans, and related
11 services;

12 (16) solicit information from participants, which
13 participants shall be required to provide, necessary to
14 understand the participant's business, including financial
15 and income information, certifications that the
16 participant is seeking to obtain, and ownership, employee,
17 and subcontractor data, including compensation, length of
18 service, and demographics; and

19 (17) other duties as required.

20 (k) Performance metrics. The Primes Program Administrator
21 and Regional Primes Program Leads shall collaborate to collect
22 and report the following metrics quarterly to the Department
23 and Advisory Council:

24 (1) demographic information on cohort recruiting and
25 formation, including racial, gender, geographic
26 distribution data, and data on the number and percentage

1 of R3 residents, environmental justice community
2 residents, foster care alumni, and formerly convicted
3 persons who are cohort applicants and admitted
4 participants;

5 (2) participant contractor engagement in other
6 Illinois clean energy programs such as the Adjustable
7 Block program, Illinois Solar for All Program, and the
8 utility-run energy efficiency and electric vehicle
9 programs;

10 (3) retention of participants in each cohort;

11 (4) total projects bid, started, and completed by
12 participants, including information about revenue, hiring,
13 and subcontractor relationships with projects;

14 (5) certifications issued;

15 (6) employment data for contractor hires and industry
16 jobs created, including demographic, salary, length of
17 service, and geographic data;

18 (7) grants and loans distributed; and

19 (8) participant satisfaction with the Program.

20 The metrics in paragraphs (2), (4), and (6) shall be
21 collected from Program participants and graduates for 10 years
22 from their entrance into the Program to help the Department
23 and Program Administrators understand the Program's long-term
24 effect.

25 Data should be anonymized where needed to protect
26 participant privacy.

1 The Department shall make such reports publicly available
2 on its website.

3 (1) Mentorship Program.

4 (1) The Regional Primes Program Leads shall recruit,
5 and the Primes Program Administrator shall select, with
6 approval from the Department, private companies with the
7 following qualifications to mentor participants and assist
8 them in succeeding in the clean energy industry:

9 (i) excellent standing with state clean energy
10 programs;

11 (ii) 4 or more years of experience in their field;

12 and

13 (iii) a proven track record of success in their
14 field.

15 (2) Mentor companies may receive a stipend, determined
16 by the Department, for their participation. Mentor
17 companies may identify what level of stipend they require.

18 (3) The Primes Program Administrator shall develop
19 guidelines for mentor company-mentee profit sharing or
20 purchased services agreements.

21 (4) The Regional Primes Program Leads shall:

22 (i) collaborate with mentor companies and
23 participants to create a plan for ongoing contact such
24 as on-the-job training, site walkthroughs, business
25 process and structure walkthroughs, quality assurance
26 and quality control reviews, and other relevant

1 activities;

2 (ii) recommend the mentor company-mentee pairings
3 and associated mentor company stipends for approval;

4 (iii) conduct an annual review of each mentor
5 company-mentee pairing and recommend whether the
6 pairing continues for a second year and the level of
7 stipend that is appropriate. The review shall also
8 ensure that any profit sharing and purchased services
9 agreements adhere to the guidelines established by the
10 Primes Program Administrator.

11 (5) Contractors may request reassignment to a new
12 mentor company.

13 (m) Disparity study. The Program Administrator shall
14 cooperate with the Illinois Power Agency in the conduct of a
15 disparity study, as described in subsection (c-15) of Section
16 1-75 of the Illinois Power Agency Act, and in the effectuation
17 of appropriate remedies necessary to address any
18 discrimination that such study may find. Potential remedies
19 shall include, but not be limited to, race-conscious remedies
20 to rapidly eliminate discrimination faced by minority
21 businesses and works in the industry this Program serves,
22 consistent with the law. Remedies shall be developed through
23 consultation with individuals, companies, and organizations
24 that have expertise on discrimination faced in the market and
25 potential legally permissible remedies for addressing it.
26 Notwithstanding any other requirement of this Section, the

1 Program Administrator shall modify program participation
2 criteria or goals as soon as the report has been published, in
3 such a way as is consistent with state and federal law, to
4 rapidly eliminate discrimination on minority businesses and
5 workers in the industry this Program serves by setting
6 standards for Program participation. This study will be paid
7 for with funds from the Energy Transition Assistance Fund or
8 any other lawful source.

9 (n) Program budget.

10 (1) The Department may allocate up to \$3,000,000
11 annually to the Primes Program Administrator for each of
12 the 3 regional budgets from the Energy Transition
13 Assistance Fund.

14 (2) The Primes Program Administrator shall work with
15 the Illinois Finance Authority and the Climate Bank as
16 established by Article 850 of the Illinois Finance
17 Authority Act or comparable financing institution so that
18 loan loss reserves may be sufficient to underwrite
19 \$7,000,000 in low-interest loans in each of the 3 Program
20 delivery areas.

21 (3) Any grant and loan funding shall be made available
22 to participants in a timely fashion.

23 Section 5-60. Jobs and Environmental Justice Grant
24 Program.

25 (a) In order to provide upfront capital to support the

1 development of projects, businesses, community organizations,
2 and jobs creating opportunity for historically disadvantaged
3 populations, and to provide seed capital to support community
4 ownership of renewable energy projects, the Department of
5 Commerce and Economic Opportunity shall create and administer
6 a Jobs and Environmental Justice Grant Program. The grant
7 program shall be designed to help remove barriers to project,
8 community, and business development caused by a lack of
9 capital.

10 (b) The grant program shall provide grant awards of up to
11 \$1,000,000 per application to support the development of
12 renewable energy resources as defined in Section 1-10 of the
13 Illinois Power Agency Act, and energy efficiency measures as
14 defined in Section 8-103B of the Public Utilities Act. The
15 amount of a grant award shall be based on a project's size and
16 scope. Grants shall be provided upfront, in advance of other
17 incentives, to provide businesses, organizations, and
18 community groups with capital needed to plan, develop, and
19 execute a project. Grants shall be designed to coordinate with
20 and supplement existing incentive programs, such as the
21 Adjustable Block program, the Illinois Solar for All Program,
22 the community renewable generation projects, and renewable
23 energy procurements as described in the Illinois Power Agency
24 Act, as well as utility energy efficiency measures as
25 described in Section 8-103B of the Public Utilities Act.

26 (c) The Jobs and Environmental Justice Grant Program shall

1 include 2 subprograms:

2 (1) the Equitable Energy Future Grant Program; and

3 (2) the Community Solar Energy Sovereignty Grant
4 Program.

5 (d) The Equitable Energy Future Grant Program is designed
6 to provide seed funding and pre-development funding
7 opportunities for equity eligible contractors.

8 (1) The Equitable Energy Future Grant shall be awarded
9 to businesses and nonprofit organizations for costs
10 related to the following activities and project needs:

11 (i) planning and project development, including
12 costs for professional services such as architecture,
13 design, engineering, auditing, consulting, and
14 developer services;

15 (ii) project application, deposit, and approval;

16 (iii) purchasing and leasing of land;

17 (iv) permitting and zoning;

18 (v) interconnection application costs and fees,
19 studies, and expenses;

20 (vi) equipment and supplies;

21 (vii) community outreach, marketing, and
22 engagement; and

23 (viii) staff and operations expenses.

24 (2) Grants shall be awarded to projects that most
25 effectively provide opportunities for equity eligible
26 contractors and equity investment eligible communities,

1 and should consider the following criteria:

2 (i) projects that provide community benefits,
3 which are projects that have one or more of the
4 following characteristics: (A) greater than 50% of the
5 project's energy provided or saved benefits low-income
6 residents, or (B) the project benefits not-for-profit
7 organizations providing services to low-income
8 households, affordable housing owners, or
9 community-based limited liability companies providing
10 services to low-income households;

11 (ii) projects that are located in equity
12 investment eligible communities;

13 (iii) projects that provide on-the-job training;

14 (iv) projects that contract with contractors who
15 are participating or have participated in the Clean
16 Energy Contractor Incubator Program, Clean Energy
17 Primes Contractor Accelerator Program, or similar
18 programs; and

19 (v) projects employ a minimum of 51% of its
20 workforce from participants and graduates of the Clean
21 Jobs Workforce Network Program, Illinois Climate Works
22 Preapprenticeship Program, and Returning Residents
23 Clean Jobs Training Program.

24 (3) Grants shall be awarded to applicants that meet
25 the following criteria:

26 (i) are equity eligible contractors per the equity

1 accountability systems described in subsection (c-10)
2 of Section 1-75 of the Illinois Power Agency Act, or
3 meet the equity building criteria in paragraph (9.5)
4 of subsection (g) of Section 8-103B of the Public
5 Utilities Act; and

6 (ii) provide demonstrable proof of a historical or
7 future, and persisting, long-term partnership with the
8 community in which the project will be located.

9 (e) The Community Solar Energy Sovereignty Grant Program
10 shall be designed to support the pre-development and
11 development of community solar projects that promote community
12 ownership and energy sovereignty.

13 (1) Grants shall be awarded to applicants that best
14 demonstrate the ability and intent to create community
15 ownership and other local community benefits, including
16 local community wealth building via community renewable
17 generation projects. Grants shall be prioritized to
18 applicants for whom:

19 (i) the proposed project is located in and
20 supporting an equity investment eligible community or
21 communities; and

22 (ii) the proposed project provides additional
23 benefits for participating low-income households.

24 (2) Grant funds shall be awarded to support project
25 pre-development work and may also be awarded to support
26 the development of programs and entities to assist in the

1 long-term governance, management, and maintenance of
2 community solar projects, such as community solar
3 cooperatives. For example, funds may be awarded for:

4 (i) early stage project planning;

5 (ii) project team organization;

6 (iii) site identification;

7 (iv) organizing a project business model and
8 securing financing;

9 (v) procurement and contracting;

10 (vi) customer outreach and enrollment;

11 (vii) preliminary site assessments;

12 (viii) development of cooperative or community
13 ownership model; and

14 (ix) development of project models that allocate
15 benefits to equity investment eligible communities.

16 (3) Grant recipients shall submit reports to the
17 Department at the end of the grant term on the activities
18 pursued under their grant and any lessons learned for
19 publication on the Department's website so that other
20 energy sovereignty projects may learn from their
21 experience.

22 (4) Eligible applicants shall include community-based
23 organizations, as defined in the Illinois Power Agency's
24 long-term renewable resources procurement plan, or
25 technical service providers working in direct partnership
26 with community-based organizations.

1 (5) The amount of a grant shall be based on a projects'
2 size and scope. Grants shall allow for a significant
3 portion, or the entirety, of the grant value to be made
4 upfront, in advance of other incentives, to ensure
5 businesses and organizations have the capital needed to
6 plan, develop, and execute a project.

7 (f) The application process for both subprograms shall not
8 be burdensome on applicants, nor require extensive technical
9 knowledge, and shall be able to be completed on less than 4
10 standard letter-sized pages.

11 (g) These grant subprograms may be coordinated with
12 low-interest and no-interest financing opportunities offered
13 through the Clean Energy Jobs and Justice Fund.

14 (h) The grant subprograms may have a budget of up to
15 \$34,000,000 per year. No more than 25% of the allocated budget
16 shall go to the Community Solar Energy Sovereignty Grant
17 Program.

18 Section 5-65. Energy Workforce Advisory Council.

19 (a) The Energy Workforce Advisory Council is hereby
20 created within the Department.

21 (b) The Council shall consist of the following voting
22 members appointed by the Governor with the advice and consent
23 of the Senate, chosen to ensure diverse geographic
24 representation:

25 (1) two members representing trade associations

1 representing companies active in the clean energy
2 industries;

3 (2) two members representing a labor union;

4 (3) one member who has participated in the workforce
5 development programs created under this Act;

6 (4) two members representing higher education;

7 (5) two members representing economic development
8 organizations;

9 (6) two members representing local workforce
10 innovation boards;

11 (7) two residents of environmental justice
12 communities;

13 (8) three members from community-based organizations
14 in environmental justice communities and community-based
15 organizations serving low-income persons and families;

16 (9) two members who are policy or implementation
17 experts on small business development, contractor
18 incubation, or small business lending and financing needs;

19 (10) two members who are policy or implementation
20 experts on workforce development for populations and
21 individuals such as low-income persons and families,
22 environmental justice communities, BIPOC communities,
23 formerly convicted persons, persons who are or were in the
24 child welfare system, energy workers, gender nonconforming
25 and transgender individuals, and youth; and

26 (11) two representatives of clean energy businesses,

1 nonprofit organizations, or other groups that provide
2 clean energy.

3 The President of the Senate, the Minority Leader of the
4 Senate, the Speaker of the House of Representatives, and the
5 Minority Leader of the House of Representatives shall each
6 appoint 2 nonvoting members of the Council.

7 (c) The Council shall:

8 (1) coordinate and inform on worker and contractor
9 support priorities beyond current federal, State, local,
10 and private programs and resources;

11 (2) advise and produce recommendations for further
12 federal, State, and local programs and activities;

13 (3) fulfill other duties determined by the Council to
14 further the success of the Workforce Hubs, Incubators, and
15 Returning Residents Programs;

16 (4) review program performance metrics;

17 (5) provide recommendations to the Department on the
18 administration of the following programs:

19 (i) the Clean Jobs Workforce Network Program;

20 (ii) the Illinois Climate Works Preapprenticeship
21 Program;

22 (iii) the Clean Energy Contractor Incubator
23 Program;

24 (iv) the Returning Residents Clean Jobs Training
25 Program; and

26 (v) the Clean Energy Primes Contractor Accelerator

1 Program;

2 (6) recommend outreach opportunities to ensure that
3 program contracting, training, and other opportunities are
4 widely publicized;

5 (7) participate in independent program evaluations;
6 and

7 (8) assist the Department by providing insight into
8 how relevant State, local, and federal programs are viewed
9 by residents, businesses, and institutions within their
10 respective communities.

11 (d) The Council shall conduct its first meeting within 30
12 days after all members have been appointed. The Council shall
13 meet quarterly after its first meeting. Additional hearings
14 and public meetings are permitted at the discretion of the
15 members. The Council may meet in person or through video or
16 audio conference. Meeting times may be varied to accommodate
17 Council member schedules.

18 (e) Members shall serve without compensation and shall be
19 reimbursed for reasonable expenses incurred in the performance
20 of their duties from funds appropriated for that purpose.

21 Section 5-90. Repealer. This Act is repealed 24 years
22 after the effective date of this Act.

23 Section 5-95. The Illinois Finance Authority Act is
24 amended by changing Sections 801-1, 801-5, 801-10, and 801-40

1 and adding Article 850 as follows:

2 (20 ILCS 3501/801-1)

3 Sec. 801-1. Short Title. Articles 801 through 850 ~~845~~ of
4 this Act may be cited as the Illinois Finance Authority Act.
5 References to "this Act" in Articles 801 through 850 ~~845~~ are
6 references to the Illinois Finance Authority Act.

7 (Source: P.A. 95-331, eff. 8-21-07.)

8 (20 ILCS 3501/801-5)

9 Sec. 801-5. Findings and declaration of policy. The
10 General Assembly hereby finds, determines and declares:

11 (a) that there are a number of existing State authorities
12 authorized to issue bonds to alleviate the conditions and
13 promote the objectives set forth below; and to provide a
14 stronger, better coordinated development effort, it is
15 determined to be in the interest of promoting the health,
16 safety, morals and general welfare of all the people of the
17 State to consolidate certain of such existing authorities into
18 one finance authority;

19 (b) that involuntary unemployment affects the health,
20 safety, morals and general welfare of the people of the State
21 of Illinois;

22 (c) that the economic burdens resulting from involuntary
23 unemployment fall in part upon the State in the form of public
24 assistance and reduced tax revenues, and in the event the

1 unemployed worker and his family migrate elsewhere to find
2 work, may also fall upon the municipalities and other taxing
3 districts within the areas of unemployment in the form of
4 reduced tax revenues, thereby endangering their financial
5 ability to support necessary governmental services for their
6 remaining inhabitants;

7 (d) that a vigorous growing economy is the basic source of
8 job opportunities;

9 (e) that protection against involuntary unemployment, its
10 economic burdens and the spread of economic stagnation can
11 best be provided by promoting, attracting, stimulating and
12 revitalizing industry, manufacturing and commerce in the
13 State;

14 (f) that the State has a responsibility to help create a
15 favorable climate for new and improved job opportunities for
16 its citizens by encouraging the development of commercial
17 businesses and industrial and manufacturing plants within the
18 State;

19 (g) that increased availability of funds for construction
20 of new facilities and the expansion and improvement of
21 existing facilities for industrial, commercial and
22 manufacturing facilities will provide for new and continued
23 employment in the construction industry and alleviate the
24 burden of unemployment;

25 (h) that in the absence of direct governmental subsidies
26 the unaided operations of private enterprise do not provide

1 sufficient resources for residential construction,
2 rehabilitation, rental or purchase, and that support from
3 housing related commercial facilities is one means of
4 stimulating residential construction, rehabilitation, rental
5 and purchase;

6 (i) that it is in the public interest and the policy of
7 this State to foster and promote by all reasonable means the
8 provision of adequate capital markets and facilities for
9 borrowing money by units of local government, and for the
10 financing of their respective public improvements and other
11 governmental purposes within the State from proceeds of bonds
12 or notes issued by those governmental units; and to assist
13 local governmental units in fulfilling their needs for those
14 purposes by use of creation of indebtedness;

15 (j) that it is in the public interest and the policy of
16 this State to the extent possible, to reduce the costs of
17 indebtedness to taxpayers and residents of this State and to
18 encourage continued investor interest in the purchase of bonds
19 or notes of governmental units as sound and preferred
20 securities for investment; and to encourage governmental units
21 to continue their independent undertakings of public
22 improvements and other governmental purposes and the financing
23 thereof, and to assist them in those activities by making
24 funds available at reduced interest costs for orderly
25 financing of those purposes, especially during periods of
26 restricted credit or money supply, and particularly for those

1 governmental units not otherwise able to borrow for those
2 purposes;

3 (k) that in this State the following conditions exist: (i)
4 an inadequate supply of funds at interest rates sufficiently
5 low to enable persons engaged in agriculture in this State to
6 pursue agricultural operations at present levels; (ii) that
7 such inability to pursue agricultural operations lessens the
8 supply of agricultural commodities available to fulfill the
9 needs of the citizens of this State; (iii) that such inability
10 to continue operations decreases available employment in the
11 agricultural sector of the State and results in unemployment
12 and its attendant problems; (iv) that such conditions prevent
13 the acquisition of an adequate capital stock of farm equipment
14 and machinery, much of which is manufactured in this State,
15 therefore impairing the productivity of agricultural land and,
16 further, causing unemployment or lack of appropriate increase
17 in employment in such manufacturing; (v) that such conditions
18 are conducive to consolidation of acreage of agricultural land
19 with fewer individuals living and farming on the traditional
20 family farm; (vi) that these conditions result in a loss in
21 population, unemployment and movement of persons from rural to
22 urban areas accompanied by added costs to communities for
23 creation of new public facilities and services; (vii) that
24 there have been recurrent shortages of funds for agricultural
25 purposes from private market sources at reasonable rates of
26 interest; (viii) that these shortages have made the sale and

1 purchase of agricultural land to family farmers a virtual
2 impossibility in many parts of the State; (ix) that the
3 ordinary operations of private enterprise have not in the past
4 corrected these conditions; and (x) that a stable supply of
5 adequate funds for agricultural financing is required to
6 encourage family farmers in an orderly and sustained manner
7 and to reduce the problems described above;

8 (l) that for the benefit of the people of the State of
9 Illinois, the conduct and increase of their commerce, the
10 protection and enhancement of their welfare, the development
11 of continued prosperity and the improvement of their health
12 and living conditions it is essential that all the people of
13 the State be given the fullest opportunity to learn and to
14 develop their intellectual and mental capacities and skills;
15 that to achieve these ends it is of the utmost importance that
16 private institutions of higher education within the State be
17 provided with appropriate additional means to assist the
18 people of the State in achieving the required levels of
19 learning and development of their intellectual and mental
20 capacities and skills and that cultural institutions within
21 the State be provided with appropriate additional means to
22 expand the services and resources which they offer for the
23 cultural, intellectual, scientific, educational and artistic
24 enrichment of the people of the State;

25 (m) that in order to foster civic and neighborhood pride,
26 citizens require access to facilities such as educational

1 institutions, recreation, parks and open spaces, entertainment
2 and sports, a reliable transportation network, cultural
3 facilities and theaters and other facilities as authorized by
4 this Act, and that it is in the best interests of the State to
5 lower the costs of all such facilities by providing financing
6 through the State;

7 (n) that to preserve and protect the health of the
8 citizens of the State, and lower the costs of health care, that
9 financing for health facilities should be provided through the
10 State; and it is hereby declared to be the policy of the State,
11 in the interest of promoting the health, safety, morals and
12 general welfare of all the people of the State, to address the
13 conditions noted above, to increase job opportunities and to
14 retain existing jobs in the State, by making available through
15 the Illinois Finance Authority, hereinafter created, funds for
16 the development, improvement and creation of industrial,
17 housing, local government, educational, health, public purpose
18 and other projects; to issue its bonds and notes to make funds
19 at reduced rates and on more favorable terms for borrowing by
20 local governmental units through the purchase of the bonds or
21 notes of the governmental units; and to make or acquire loans
22 for the acquisition and development of agricultural
23 facilities; to provide financing for private institutions of
24 higher education, cultural institutions, health facilities and
25 other facilities and projects as authorized by this Act; and
26 to grant broad powers to the Illinois Finance Authority to

1 accomplish and to carry out these policies of the State which
2 are in the public interest of the State and of its taxpayers
3 and residents;

4 (o) that providing financing alternatives for projects
5 that are located outside the State that are owned, operated,
6 leased, managed by, or otherwise affiliated with, institutions
7 located within the State would promote the economy of the
8 State for the benefit of the health, welfare, safety, trade,
9 commerce, industry, and economy of the people of the State by
10 creating employment opportunities in the State and lowering
11 the cost of accessing healthcare, private education, or
12 cultural institutions in the State by reducing the cost of
13 financing or operating those projects; ~~and~~

14 (p) that the realization of the objectives of the
15 Authority identified in this Act including, without
16 limitation, those designed (1) to assist and enable veterans,
17 minorities, women and disabled individuals to own and operate
18 small businesses; (2) to assist in the delivery of
19 agricultural assistance; and (3) to aid, assist, and encourage
20 economic growth and development within this State, will be
21 enhanced by empowering the Authority to purchase loan
22 participations from participating lenders; ~~and~~

23 (q) that climate change threatens the health, welfare, and
24 prosperity of all the residents of the State;

25 (r) combating climate change is necessary to preserve and
26 enhance the health, welfare, and prosperity of all the

1 residents of the State;

2 (s) that the promotion of the development and
3 implementation of clean energy is necessary to combat climate
4 change and is hereby declared to be the policy of the State;
5 and

6 (t) that designating the Authority as the "Climate Bank"
7 to aid in all respects with providing financial assistance,
8 programs, and products to finance and otherwise develop and
9 implement equitable clean energy opportunities in the State to
10 mitigate or adapt to the negative consequences of climate
11 change in an equitable manner will further the clean energy
12 policy of the State.

13 (Source: P.A. 100-919, eff. 8-17-18.)

14 (20 ILCS 3501/801-10)

15 Sec. 801-10. Definitions. The following terms, whenever
16 used or referred to in this Act, shall have the following
17 meanings, except in such instances where the context may
18 clearly indicate otherwise:

19 (a) The term "Authority" means the Illinois Finance
20 Authority created by this Act.

21 (b) The term "project" means an industrial project, clean
22 energy project, conservation project, housing project, public
23 purpose project, higher education project, health facility
24 project, cultural institution project, municipal bond program
25 project, PACE Project, agricultural facility or agribusiness,

1 and "project" may include any combination of one or more of the
2 foregoing undertaken jointly by any person with one or more
3 other persons.

4 (c) The term "public purpose project" means (i) any
5 project or facility, including without limitation land,
6 buildings, structures, machinery, equipment and all other real
7 and personal property, which is authorized or required by law
8 to be acquired, constructed, improved, rehabilitated,
9 reconstructed, replaced or maintained by any unit of
10 government or any other lawful public purpose, including
11 provision of working capital, which is authorized or required
12 by law to be undertaken by any unit of government or (ii) costs
13 incurred and other expenditures, including expenditures for
14 management, investment, or working capital costs, incurred in
15 connection with the reform, consolidation, or implementation
16 of the transition process as described in Articles 22B and 22C
17 of the Illinois Pension Code.

18 (d) The term "industrial project" means the acquisition,
19 construction, refurbishment, creation, development or
20 redevelopment of any facility, equipment, machinery, real
21 property or personal property for use by any instrumentality
22 of the State or its political subdivisions, for use by any
23 person or institution, public or private, for profit or not
24 for profit, or for use in any trade or business, including, but
25 not limited to, any industrial, manufacturing, clean energy,
26 or commercial enterprise that is located within or outside the

1 State, provided that, with respect to a project involving
2 property located outside the State, the property must be
3 owned, operated, leased or managed by an entity located within
4 the State or an entity affiliated with an entity located
5 within the State, and which is (1) a capital project or clean
6 energy project, including, but not limited to: (i) land and
7 any rights therein, one or more buildings, structures or other
8 improvements, machinery and equipment, whether now existing or
9 hereafter acquired, and whether or not located on the same
10 site or sites; (ii) all appurtenances and facilities
11 incidental to the foregoing, including, but not limited to,
12 utilities, access roads, railroad sidings, track, docking and
13 similar facilities, parking facilities, dockage, wharfage,
14 railroad roadbed, track, trestle, depot, terminal, switching
15 and signaling or related equipment, site preparation and
16 landscaping; and (iii) all non-capital costs and expenses
17 relating thereto or (2) any addition to, renovation,
18 rehabilitation or improvement of a capital project or a clean
19 energy project, or (3) any activity or undertaking within or
20 outside the State, provided that, with respect to a project
21 involving property located outside the State, the property
22 must be owned, operated, leased or managed by an entity
23 located within the State or an entity affiliated with an
24 entity located within the State, which the Authority
25 determines will aid, assist or encourage economic growth,
26 development or redevelopment within the State or any area

1 thereof, will promote the expansion, retention or
2 diversification of employment opportunities within the State
3 or any area thereof or will aid in stabilizing or developing
4 any industry or economic sector of the State economy. The term
5 "industrial project" also means the production of motion
6 pictures.

7 (e) The term "bond" or "bonds" shall include bonds, notes
8 (including bond, grant or revenue anticipation notes),
9 certificates and/or other evidences of indebtedness
10 representing an obligation to pay money, including refunding
11 bonds.

12 (f) The terms "lease agreement" and "loan agreement" shall
13 mean: (i) an agreement whereby a project acquired by the
14 Authority by purchase, gift or lease is leased to any person,
15 corporation or unit of local government which will use or
16 cause the project to be used as a project as heretofore defined
17 upon terms providing for lease rental payments at least
18 sufficient to pay when due all principal of, interest and
19 premium, if any, on any bonds of the Authority issued with
20 respect to such project, providing for the maintenance,
21 insuring and operation of the project on terms satisfactory to
22 the Authority, providing for disposition of the project upon
23 termination of the lease term, including purchase options or
24 abandonment of the premises, and such other terms as may be
25 deemed desirable by the Authority, or (ii) any agreement
26 pursuant to which the Authority agrees to loan the proceeds of

1 its bonds issued with respect to a project or other funds of
2 the Authority to any person which will use or cause the project
3 to be used as a project as heretofore defined upon terms
4 providing for loan repayment installments at least sufficient
5 to pay when due all principal of, interest and premium, if any,
6 on any bonds of the Authority, if any, issued with respect to
7 the project, and providing for maintenance, insurance and
8 other matters as may be deemed desirable by the Authority.

9 (g) The term "financial aid" means the expenditure of
10 Authority funds or funds provided by the Authority through the
11 issuance of its bonds, notes or other evidences of
12 indebtedness or from other sources for the development,
13 construction, acquisition or improvement of a project.

14 (h) The term "person" means an individual, corporation,
15 unit of government, business trust, estate, trust, partnership
16 or association, 2 or more persons having a joint or common
17 interest, or any other legal entity.

18 (i) The term "unit of government" means the federal
19 government, the State or unit of local government, a school
20 district, or any agency or instrumentality, office, officer,
21 department, division, bureau, commission, college or
22 university thereof.

23 (j) The term "health facility" means: (a) any public or
24 private institution, place, building, or agency required to be
25 licensed under the Hospital Licensing Act; (b) any public or
26 private institution, place, building, or agency required to be

1 licensed under the Nursing Home Care Act, the Specialized
2 Mental Health Rehabilitation Act of 2013, the ID/DD Community
3 Care Act, or the MC/DD Act; (c) any public or licensed private
4 hospital as defined in the Mental Health and Developmental
5 Disabilities Code; (d) any such facility exempted from such
6 licensure when the Director of Public Health attests that such
7 exempted facility meets the statutory definition of a facility
8 subject to licensure; (e) any other public or private health
9 service institution, place, building, or agency which the
10 Director of Public Health attests is subject to certification
11 by the Secretary, U.S. Department of Health and Human Services
12 under the Social Security Act, as now or hereafter amended, or
13 which the Director of Public Health attests is subject to
14 standard-setting by a recognized public or voluntary
15 accrediting or standard-setting agency; (f) any public or
16 private institution, place, building or agency engaged in
17 providing one or more supporting services to a health
18 facility; (g) any public or private institution, place,
19 building or agency engaged in providing training in the
20 healing arts, including, but not limited to, schools of
21 medicine, dentistry, osteopathy, optometry, podiatry, pharmacy
22 or nursing, schools for the training of x-ray, laboratory or
23 other health care technicians and schools for the training of
24 para-professionals in the health care field; (h) any public or
25 private congregate, life or extended care or elderly housing
26 facility or any public or private home for the aged or infirm,

1 including, without limitation, any Facility as defined in the
2 Life Care Facilities Act; (i) any public or private mental,
3 emotional or physical rehabilitation facility or any public or
4 private educational, counseling, or rehabilitation facility or
5 home, for those persons with a developmental disability, those
6 who are physically ill or disabled, the emotionally disturbed,
7 those persons with a mental illness or persons with learning
8 or similar disabilities or problems; (j) any public or private
9 alcohol, drug or substance abuse diagnosis, counseling
10 treatment or rehabilitation facility, (k) any public or
11 private institution, place, building or agency licensed by the
12 Department of Children and Family Services or which is not so
13 licensed but which the Director of Children and Family
14 Services attests provides child care, child welfare or other
15 services of the type provided by facilities subject to such
16 licensure; (l) any public or private adoption agency or
17 facility; and (m) any public or private blood bank or blood
18 center. "Health facility" also means a public or private
19 structure or structures suitable primarily for use as a
20 laboratory, laundry, nurses or interns residence or other
21 housing or hotel facility used in whole or in part for staff,
22 employees or students and their families, patients or
23 relatives of patients admitted for treatment or care in a
24 health facility, or persons conducting business with a health
25 facility, physician's facility, surgicenter, administration
26 building, research facility, maintenance, storage or utility

1 facility and all structures or facilities related to any of
2 the foregoing or required or useful for the operation of a
3 health facility, including parking or other facilities or
4 other supporting service structures required or useful for the
5 orderly conduct of such health facility. "Health facility"
6 also means, with respect to a project located outside the
7 State, any public or private institution, place, building, or
8 agency which provides services similar to those described
9 above, provided that such project is owned, operated, leased
10 or managed by a participating health institution located
11 within the State, or a participating health institution
12 affiliated with an entity located within the State.

13 (k) The term "participating health institution" means (i)
14 a private corporation or association or (ii) a public entity
15 of this State, in either case authorized by the laws of this
16 State or the applicable state to provide or operate a health
17 facility as defined in this Act and which, pursuant to the
18 provisions of this Act, undertakes the financing, construction
19 or acquisition of a project or undertakes the refunding or
20 refinancing of obligations, loans, indebtedness or advances as
21 provided in this Act.

22 (l) The term "health facility project", means a specific
23 health facility work or improvement to be financed or
24 refinanced (including without limitation through reimbursement
25 of prior expenditures), acquired, constructed, enlarged,
26 remodeled, renovated, improved, furnished, or equipped, with

1 funds provided in whole or in part hereunder, any accounts
2 receivable, working capital, liability or insurance cost or
3 operating expense financing or refinancing program of a health
4 facility with or involving funds provided in whole or in part
5 hereunder, or any combination thereof.

6 (m) The term "bond resolution" means the resolution or
7 resolutions authorizing the issuance of, or providing terms
8 and conditions related to, bonds issued under this Act and
9 includes, where appropriate, any trust agreement, trust
10 indenture, indenture of mortgage or deed of trust providing
11 terms and conditions for such bonds.

12 (n) The term "property" means any real, personal or mixed
13 property, whether tangible or intangible, or any interest
14 therein, including, without limitation, any real estate,
15 leasehold interests, appurtenances, buildings, easements,
16 equipment, furnishings, furniture, improvements, machinery,
17 rights of way, structures, accounts, contract rights or any
18 interest therein.

19 (o) The term "revenues" means, with respect to any
20 project, the rents, fees, charges, interest, principal
21 repayments, collections and other income or profit derived
22 therefrom.

23 (p) The term "higher education project" means, in the case
24 of a private institution of higher education, an educational
25 facility to be acquired, constructed, enlarged, remodeled,
26 renovated, improved, furnished, or equipped, or any

1 combination thereof.

2 (q) The term "cultural institution project" means, in the
3 case of a cultural institution, a cultural facility to be
4 acquired, constructed, enlarged, remodeled, renovated,
5 improved, furnished, or equipped, or any combination thereof.

6 (r) The term "educational facility" means any property
7 located within the State, or any property located outside the
8 State, provided that, if the property is located outside the
9 State, it must be owned, operated, leased or managed by an
10 entity located within the State or an entity affiliated with
11 an entity located within the State, in each case constructed
12 or acquired before or after the effective date of this Act,
13 which is or will be, in whole or in part, suitable for the
14 instruction, feeding, recreation or housing of students, the
15 conducting of research or other work of a private institution
16 of higher education, the use by a private institution of
17 higher education in connection with any educational, research
18 or related or incidental activities then being or to be
19 conducted by it, or any combination of the foregoing,
20 including, without limitation, any such property suitable for
21 use as or in connection with any one or more of the following:
22 an academic facility, administrative facility, agricultural
23 facility, assembly hall, athletic facility, auditorium,
24 boating facility, campus, communication facility, computer
25 facility, continuing education facility, classroom, dining
26 hall, dormitory, exhibition hall, fire fighting facility, fire

1 prevention facility, food service and preparation facility,
2 gymnasium, greenhouse, health care facility, hospital,
3 housing, instructional facility, laboratory, library,
4 maintenance facility, medical facility, museum, offices,
5 parking area, physical education facility, recreational
6 facility, research facility, stadium, storage facility,
7 student union, study facility, theatre or utility.

8 (s) The term "cultural facility" means any property
9 located within the State, or any property located outside the
10 State, provided that, if the property is located outside the
11 State, it must be owned, operated, leased or managed by an
12 entity located within the State or an entity affiliated with
13 an entity located within the State, in each case constructed
14 or acquired before or after the effective date of this Act,
15 which is or will be, in whole or in part, suitable for the
16 particular purposes or needs of a cultural institution,
17 including, without limitation, any such property suitable for
18 use as or in connection with any one or more of the following:
19 an administrative facility, aquarium, assembly hall,
20 auditorium, botanical garden, exhibition hall, gallery,
21 greenhouse, library, museum, scientific laboratory, theater or
22 zoological facility, and shall also include, without
23 limitation, books, works of art or music, animal, plant or
24 aquatic life or other items for display, exhibition or
25 performance. The term "cultural facility" includes buildings
26 on the National Register of Historic Places which are owned or

1 operated by nonprofit entities.

2 (t) "Private institution of higher education" means a
3 not-for-profit educational institution which is not owned by
4 the State or any political subdivision, agency,
5 instrumentality, district or municipality thereof, which is
6 authorized by law to provide a program of education beyond the
7 high school level and which:

8 (1) Admits as regular students only individuals having
9 a certificate of graduation from a high school, or the
10 recognized equivalent of such a certificate;

11 (2) Provides an educational program for which it
12 awards a bachelor's degree, or provides an educational
13 program, admission into which is conditioned upon the
14 prior attainment of a bachelor's degree or its equivalent,
15 for which it awards a postgraduate degree, or provides not
16 less than a 2-year program which is acceptable for full
17 credit toward such a degree, or offers a 2-year program in
18 engineering, mathematics, or the physical or biological
19 sciences which is designed to prepare the student to work
20 as a technician and at a semiprofessional level in
21 engineering, scientific, or other technological fields
22 which require the understanding and application of basic
23 engineering, scientific, or mathematical principles or
24 knowledge;

25 (3) Is accredited by a nationally recognized
26 accrediting agency or association or, if not so

1 accredited, is an institution whose credits are accepted,
2 on transfer, by not less than 3 institutions which are so
3 accredited, for credit on the same basis as if transferred
4 from an institution so accredited, and holds an unrevoked
5 certificate of approval under the Private College Act from
6 the Board of Higher Education, or is qualified as a
7 "degree granting institution" under the Academic Degree
8 Act; and

9 (4) Does not discriminate in the admission of students
10 on the basis of race or color. "Private institution of
11 higher education" also includes any "academic
12 institution".

13 (u) The term "academic institution" means any
14 not-for-profit institution which is not owned by the State or
15 any political subdivision, agency, instrumentality, district
16 or municipality thereof, which institution engages in, or
17 facilitates academic, scientific, educational or professional
18 research or learning in a field or fields of study taught at a
19 private institution of higher education. Academic institutions
20 include, without limitation, libraries, archives, academic,
21 scientific, educational or professional societies,
22 institutions, associations or foundations having such
23 purposes.

24 (v) The term "cultural institution" means any
25 not-for-profit institution which is not owned by the State or
26 any political subdivision, agency, instrumentality, district

1 or municipality thereof, which institution engages in the
2 cultural, intellectual, scientific, educational or artistic
3 enrichment of the people of the State. Cultural institutions
4 include, without limitation, aquaria, botanical societies,
5 historical societies, libraries, museums, performing arts
6 associations or societies, scientific societies and zoological
7 societies.

8 (w) The term "affiliate" means, with respect to financing
9 of an agricultural facility or an agribusiness, any lender,
10 any person, firm or corporation controlled by, or under common
11 control with, such lender, and any person, firm or corporation
12 controlling such lender.

13 (x) The term "agricultural facility" means land, any
14 building or other improvement thereon or thereto, and any
15 personal properties deemed necessary or suitable for use,
16 whether or not now in existence, in farming, ranching, the
17 production of agricultural commodities (including, without
18 limitation, the products of aquaculture, hydroponics and
19 silviculture) or the treating, processing or storing of such
20 agricultural commodities when such activities are customarily
21 engaged in by farmers as a part of farming and which land,
22 building, improvement or personal property is located within
23 the State, or is located outside the State, provided that, if
24 such property is located outside the State, it must be owned,
25 operated, leased, or managed by an entity located within the
26 State or an entity affiliated with an entity located within

1 the State.

2 (y) The term "lender" with respect to financing of an
3 agricultural facility or an agribusiness, means any federal or
4 State chartered bank, Federal Land Bank, Production Credit
5 Association, Bank for Cooperatives, federal or State chartered
6 savings and loan association or building and loan association,
7 Small Business Investment Company or any other institution
8 qualified within this State to originate and service loans,
9 including, but without limitation to, insurance companies,
10 credit unions and mortgage loan companies. "Lender" also means
11 a wholly owned subsidiary of a manufacturer, seller or
12 distributor of goods or services that makes loans to
13 businesses or individuals, commonly known as a "captive
14 finance company".

15 (z) The term "agribusiness" means any sole proprietorship,
16 limited partnership, co-partnership, joint venture,
17 corporation or cooperative which operates or will operate a
18 facility located within the State or outside the State,
19 provided that, if any facility is located outside the State,
20 it must be owned, operated, leased, or managed by an entity
21 located within the State or an entity affiliated with an
22 entity located within the State, that is related to the
23 processing of agricultural commodities (including, without
24 limitation, the products of aquaculture, hydroponics and
25 silviculture) or the manufacturing, production or construction
26 of agricultural buildings, structures, equipment, implements,

1 and supplies, or any other facilities or processes used in
2 agricultural production. Agribusiness includes but is not
3 limited to the following:

4 (1) grain handling and processing, including grain
5 storage, drying, treatment, conditioning, mailing and
6 packaging;

7 (2) seed and feed grain development and processing;

8 (3) fruit and vegetable processing, including
9 preparation, canning and packaging;

10 (4) processing of livestock and livestock products,
11 dairy products, poultry and poultry products, fish or
12 apiarian products, including slaughter, shearing,
13 collecting, preparation, canning and packaging;

14 (5) fertilizer and agricultural chemical
15 manufacturing, processing, application and supplying;

16 (6) farm machinery, equipment and implement
17 manufacturing and supplying;

18 (7) manufacturing and supplying of agricultural
19 commodity processing machinery and equipment, including
20 machinery and equipment used in slaughter, treatment,
21 handling, collecting, preparation, canning or packaging of
22 agricultural commodities;

23 (8) farm building and farm structure manufacturing,
24 construction and supplying;

25 (9) construction, manufacturing, implementation,
26 supplying or servicing of irrigation, drainage and soil

1 and water conservation devices or equipment;

2 (10) fuel processing and development facilities that
3 produce fuel from agricultural commodities or byproducts;

4 (11) facilities and equipment for processing and
5 packaging agricultural commodities specifically for
6 export;

7 (12) facilities and equipment for forestry product
8 processing and supplying, including sawmilling operations,
9 wood chip operations, timber harvesting operations, and
10 manufacturing of prefabricated buildings, paper, furniture
11 or other goods from forestry products;

12 (13) facilities and equipment for research and
13 development of products, processes and equipment for the
14 production, processing, preparation or packaging of
15 agricultural commodities and byproducts.

16 (aa) The term "asset" with respect to financing of any
17 agricultural facility or any agribusiness, means, but is not
18 limited to the following: cash crops or feed on hand;
19 livestock held for sale; breeding stock; marketable bonds and
20 securities; securities not readily marketable; accounts
21 receivable; notes receivable; cash invested in growing crops;
22 net cash value of life insurance; machinery and equipment;
23 cars and trucks; farm and other real estate including life
24 estates and personal residence; value of beneficial interests
25 in trusts; government payments or grants; and any other
26 assets.

1 (bb) The term "liability" with respect to financing of any
2 agricultural facility or any agribusiness shall include, but
3 not be limited to the following: accounts payable; notes or
4 other indebtedness owed to any source; taxes; rent; amounts
5 owed on real estate contracts or real estate mortgages;
6 judgments; accrued interest payable; and any other liability.

7 (cc) The term "Predecessor Authorities" means those
8 authorities as described in Section 845-75.

9 (dd) The term "housing project" means a specific work or
10 improvement located within the State or outside the State and
11 undertaken to provide residential dwelling accommodations,
12 including the acquisition, construction or rehabilitation of
13 lands, buildings and community facilities and in connection
14 therewith to provide nonhousing facilities which are part of
15 the housing project, including land, buildings, improvements,
16 equipment and all ancillary facilities for use for offices,
17 stores, retirement homes, hotels, financial institutions,
18 service, health care, education, recreation or research
19 establishments, or any other commercial purpose which are or
20 are to be related to a housing development, provided that any
21 work or improvement located outside the State is owned,
22 operated, leased or managed by an entity located within the
23 State, or any entity affiliated with an entity located within
24 the State.

25 (ee) The term "conservation project" means any project
26 including the acquisition, construction, rehabilitation,

1 maintenance, operation, or upgrade that is intended to create
2 or expand open space or to reduce energy usage through
3 efficiency measures. For the purpose of this definition, "open
4 space" has the definition set forth under Section 10 of the
5 Illinois Open Land Trust Act.

6 (ff) The term "significant presence" means the existence
7 within the State of the national or regional headquarters of
8 an entity or group or such other facility of an entity or group
9 of entities where a significant amount of the business
10 functions are performed for such entity or group of entities.

11 (gg) The term "municipal bond issuer" means the State or
12 any other state or commonwealth of the United States, or any
13 unit of local government, school district, agency or
14 instrumentality, office, department, division, bureau,
15 commission, college or university thereof located in the State
16 or any other state or commonwealth of the United States.

17 (hh) The term "municipal bond program project" means a
18 program for the funding of the purchase of bonds, notes or
19 other obligations issued by or on behalf of a municipal bond
20 issuer.

21 (ii) The term "participating lender" means any trust
22 company, bank, savings bank, credit union, merchant bank,
23 investment bank, broker, investment trust, pension fund,
24 building and loan association, savings and loan association,
25 insurance company, venture capital company, or other
26 institution approved by the Authority which provides a portion

1 of the financing for a project.

2 (jj) The term "loan participation" means any loan in which
3 the Authority co-operates with a participating lender to
4 provide all or a portion of the financing for a project.

5 (kk) The term "PACE Project" means an energy project as
6 defined in Section 5 of the Property Assessed Clean Energy
7 Act.

8 (ll) The term "clean energy" means energy generation that
9 is substantially free (90% or more) of carbon dioxide
10 emissions by design or operations, or that otherwise
11 contributes to the reduction in emissions of environmentally
12 hazardous materials or reduces the volume of environmentally
13 dangerous materials.

14 (mm) The term "clean energy project" means the
15 acquisition, construction, refurbishment, creation,
16 development or redevelopment of any facility, equipment,
17 machinery, real property, or personal property for use by the
18 State or any unit of local government, school district, agency
19 or instrumentality, office, department, division, bureau,
20 commission, college, or university of the State, for use by
21 any person or institution, public or private, for profit or
22 not for profit, or for use in any trade or business, which the
23 Authority determines will aid, assist, or encourage the
24 development or implementation of clean energy in the State, or
25 as otherwise contemplated by Article 850.

26 (nn) The term "Climate Bank" means the Authority in the

1 exercise of those powers conferred on it by this Act related to
2 clean energy or clean water, drinking water, or wastewater
3 treatment.

4 (oo) "equity investment eligible community" and "eligible
5 community" mean the geographic areas throughout Illinois that
6 would most benefit from equitable investments by the State
7 designed to combat discrimination. Specifically, the eligible
8 communities shall be defined as the following areas:

9 (1) R3 Areas as established pursuant to Section 10-40
10 of the Cannabis Regulation and Tax Act, where residents
11 have historically been excluded from economic
12 opportunities, including opportunities in the energy
13 sector; and

14 (2) Environmental justice communities, as defined by
15 the Illinois Power Agency pursuant to the Illinois Power
16 Agency Act, where residents have historically been subject
17 to disproportionate burdens of pollution, including
18 pollution from the energy sector.

19 (pp) "Equity investment eligible person" and "eligible
20 person" mean the persons who would most benefit from equitable
21 investments by the State designed to combat discrimination.
22 Specifically, eligible persons means the following people:

23 (1) persons whose primary residence is in an equity
24 investment eligible community;

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

1 (3) persons who were formerly incarcerated.

2 (qq) "Environmental justice community" means the
3 definition of that term based on existing methodologies and
4 findings used and as may be updated by the Illinois Power
5 Agency and its program administrator in the Illinois Solar for
6 All Program.

7 (Source: P.A. 100-919, eff. 8-17-18; 101-610, eff. 1-1-20.)

8 (20 ILCS 3501/801-40)

9 Sec. 801-40. In addition to the powers otherwise
10 authorized by law and in addition to the foregoing general
11 corporate powers, the Authority shall also have the following
12 additional specific powers to be exercised in furtherance of
13 the purposes of this Act.

14 (a) The Authority shall have power (i) to accept grants,
15 loans or appropriations from the federal government or the
16 State, or any agency or instrumentality thereof, or, in the
17 case of clean energy projects, any not-for-profit
18 philanthropic or other charitable organization, public or
19 private, to be used for the operating expenses of the
20 Authority, or for any purposes of the Authority, including the
21 making of direct loans of such funds with respect to projects,
22 and (ii) to enter into any agreement with the federal
23 government or the State, or any agency or instrumentality
24 thereof, in relationship to such grants, loans or
25 appropriations.

1 (b) The Authority shall have power to procure and enter
2 into contracts for any type of insurance and indemnity
3 agreements covering loss or damage to property from any cause,
4 including loss of use and occupancy, or covering any other
5 insurable risk.

6 (c) The Authority shall have the continuing power to issue
7 bonds for its corporate purposes. Bonds may be issued by the
8 Authority in one or more series and may provide for the payment
9 of any interest deemed necessary on such bonds, of the costs of
10 issuance of such bonds, of any premium on any insurance, or of
11 the cost of any guarantees, letters of credit or other similar
12 documents, may provide for the funding of the reserves deemed
13 necessary in connection with such bonds, and may provide for
14 the refunding or advance refunding of any bonds or for
15 accounts deemed necessary in connection with any purpose of
16 the Authority. The bonds may bear interest payable at any time
17 or times and at any rate or rates, notwithstanding any other
18 provision of law to the contrary, and such rate or rates may be
19 established by an index or formula which may be implemented or
20 established by persons appointed or retained therefor by the
21 Authority, or may bear no interest or may bear interest
22 payable at maturity or upon redemption prior to maturity, may
23 bear such date or dates, may be payable at such time or times
24 and at such place or places, may mature at any time or times
25 not later than 40 years from the date of issuance, may be sold
26 at public or private sale at such time or times and at such

1 price or prices, may be secured by such pledges, reserves,
2 guarantees, letters of credit, insurance contracts or other
3 similar credit support or liquidity instruments, may be
4 executed in such manner, may be subject to redemption prior to
5 maturity, may provide for the registration of the bonds, and
6 may be subject to such other terms and conditions all as may be
7 provided by the resolution or indenture authorizing the
8 issuance of such bonds. The holder or holders of any bonds
9 issued by the Authority may bring suits at law or proceedings
10 in equity to compel the performance and observance by any
11 person or by the Authority or any of its agents or employees of
12 any contract or covenant made with the holders of such bonds
13 and to compel such person or the Authority and any of its
14 agents or employees to perform any duties required to be
15 performed for the benefit of the holders of any such bonds by
16 the provision of the resolution authorizing their issuance,
17 and to enjoin such person or the Authority and any of its
18 agents or employees from taking any action in conflict with
19 any such contract or covenant. Notwithstanding the form and
20 tenor of any such bonds and in the absence of any express
21 recital on the face thereof that it is non-negotiable, all
22 such bonds shall be negotiable instruments. Pending the
23 preparation and execution of any such bonds, temporary bonds
24 may be issued as provided by the resolution. The bonds shall be
25 sold by the Authority in such manner as it shall determine. The
26 bonds may be secured as provided in the authorizing resolution

1 by the receipts, revenues, income and other available funds of
2 the Authority and by any amounts derived by the Authority from
3 the loan agreement or lease agreement with respect to the
4 project or projects; and bonds may be issued as general
5 obligations of the Authority payable from such revenues, funds
6 and obligations of the Authority as the bond resolution shall
7 provide, or may be issued as limited obligations with a claim
8 for payment solely from such revenues, funds and obligations
9 as the bond resolution shall provide. The Authority may grant
10 a specific pledge or assignment of and lien on or security
11 interest in such rights, revenues, income, or amounts and may
12 grant a specific pledge or assignment of and lien on or
13 security interest in any reserves, funds or accounts
14 established in the resolution authorizing the issuance of
15 bonds. Any such pledge, assignment, lien or security interest
16 for the benefit of the holders of the Authority's bonds shall
17 be valid and binding from the time the bonds are issued without
18 any physical delivery or further act, and shall be valid and
19 binding as against and prior to the claims of all other parties
20 having claims against the Authority or any other person
21 irrespective of whether the other parties have notice of the
22 pledge, assignment, lien or security interest. As evidence of
23 such pledge, assignment, lien and security interest, the
24 Authority may execute and deliver a mortgage, trust agreement,
25 indenture or security agreement or an assignment thereof. A
26 remedy for any breach or default of the terms of any such

1 agreement by the Authority may be by mandamus proceedings in
2 any court of competent jurisdiction to compel the performance
3 and compliance therewith, but the agreement may prescribe by
4 whom or on whose behalf such action may be instituted. It is
5 expressly understood that the Authority may, but need not,
6 acquire title to any project with respect to which it
7 exercises its authority.

8 (d) With respect to the powers granted by this Act, the
9 Authority may adopt rules and regulations prescribing the
10 procedures by which persons may apply for assistance under
11 this Act. Nothing herein shall be deemed to preclude the
12 Authority, prior to the filing of any formal application, from
13 conducting preliminary discussions and investigations with
14 respect to the subject matter of any prospective application.

15 (e) The Authority shall have power to acquire by purchase,
16 lease, gift or otherwise any property or rights therein from
17 any person useful for its purposes, whether improved for the
18 purposes of any prospective project, or unimproved. The
19 Authority may also accept any donation of funds for its
20 purposes from any such source. The Authority shall have no
21 independent power of condemnation but may acquire any property
22 or rights therein obtained upon condemnation by any other
23 authority, governmental entity or unit of local government
24 with such power.

25 (f) The Authority shall have power to develop, construct
26 and improve either under its own direction, or through

1 collaboration with any approved applicant, or to acquire
2 through purchase or otherwise, any project, using for such
3 purpose the proceeds derived from the sale of its bonds or from
4 governmental loans or grants, and to hold title in the name of
5 the Authority to such projects.

6 (g) The Authority shall have power to lease pursuant to a
7 lease agreement any project so developed and constructed or
8 acquired to the approved tenant on such terms and conditions
9 as may be appropriate to further the purposes of this Act and
10 to maintain the credit of the Authority. Any such lease may
11 provide for either the Authority or the approved tenant to
12 assume initially, in whole or in part, the costs of
13 maintenance, repair and improvements during the leasehold
14 period. In no case, however, shall the total rentals from any
15 project during any initial leasehold period or the total loan
16 repayments to be made pursuant to any loan agreement, be less
17 than an amount necessary to return over such lease or loan
18 period (1) all costs incurred in connection with the
19 development, construction, acquisition or improvement of the
20 project and for repair, maintenance and improvements thereto
21 during the period of the lease or loan; provided, however,
22 that the rentals or loan repayments need not include costs met
23 through the use of funds other than those obtained by the
24 Authority through the issuance of its bonds or governmental
25 loans; (2) a reasonable percentage additive to be agreed upon
26 by the Authority and the borrower or tenant to cover a properly

1 allocable portion of the Authority's general expenses,
2 including, but not limited to, administrative expenses,
3 salaries and general insurance, and (3) an amount sufficient
4 to pay when due all principal of, interest and premium, if any
5 on, any bonds issued by the Authority with respect to the
6 project. The portion of total rentals payable under clause (3)
7 of this subsection (g) shall be deposited in such special
8 accounts, including all sinking funds, acquisition or
9 construction funds, debt service and other funds as provided
10 by any resolution, mortgage or trust agreement of the
11 Authority pursuant to which any bond is issued.

12 (h) The Authority has the power, upon the termination of
13 any leasehold period of any project, to sell or lease for a
14 further term or terms such project on such terms and
15 conditions as the Authority shall deem reasonable and
16 consistent with the purposes of the Act. The net proceeds from
17 all such sales and the revenues or income from such leases
18 shall be used to satisfy any indebtedness of the Authority
19 with respect to such project and any balance may be used to pay
20 any expenses of the Authority or be used for the further
21 development, construction, acquisition or improvement of
22 projects. In the event any project is vacated by a tenant prior
23 to the termination of the initial leasehold period, the
24 Authority shall sell or lease the facilities of the project on
25 the most advantageous terms available. The net proceeds of any
26 such disposition shall be treated in the same manner as the

1 proceeds from sales or the revenues or income from leases
2 subsequent to the termination of any initial leasehold period.

3 (i) The Authority shall have the power to make loans, or to
4 purchase loan participations in loans made, to persons to
5 finance a project, to enter into loan agreements or agreements
6 with participating lenders with respect thereto, and to accept
7 guarantees from persons of its loans or the resultant
8 evidences of obligations of the Authority.

9 (j) The Authority may fix, determine, charge and collect
10 any premiums, fees, charges, costs and expenses, including,
11 without limitation, any application fees, commitment fees,
12 program fees, financing charges or publication fees from any
13 person in connection with its activities under this Act.

14 (k) In addition to the funds established as provided
15 herein, the Authority shall have the power to create and
16 establish such reserve funds and accounts as may be necessary
17 or desirable to accomplish its purposes under this Act and to
18 deposit its available monies into the funds and accounts.

19 (l) At the request of the governing body of any unit of
20 local government, the Authority is authorized to market such
21 local government's revenue bond offerings by preparing bond
22 issues for sale, advertising for sealed bids, receiving bids
23 at its offices, making the award to the bidder that offers the
24 most favorable terms or arranging for negotiated placements or
25 underwritings of such securities. The Authority may, at its
26 discretion, offer for concurrent sale the revenue bonds of

1 several local governments. Sales by the Authority of revenue
2 bonds under this Section shall in no way imply State guarantee
3 of such debt issue. The Authority may require such financial
4 information from participating local governments as it deems
5 necessary in order to carry out the purposes of this
6 subsection (1).

7 (m) The Authority may make grants to any county to which
8 Division 5-37 of the Counties Code is applicable to assist in
9 the financing of capital development, construction and
10 renovation of new or existing facilities for hospitals and
11 health care facilities under that Act. Such grants may only be
12 made from funds appropriated for such purposes from the Build
13 Illinois Bond Fund.

14 (n) The Authority may establish an urban development
15 action grant program for the purpose of assisting
16 municipalities in Illinois which are experiencing severe
17 economic distress to help stimulate economic development
18 activities needed to aid in economic recovery. The Authority
19 shall determine the types of activities and projects for which
20 the urban development action grants may be used, provided that
21 such projects and activities are broadly defined to include
22 all reasonable projects and activities the primary objectives
23 of which are the development of viable urban communities,
24 including decent housing and a suitable living environment,
25 and expansion of economic opportunity, principally for persons
26 of low and moderate incomes. The Authority shall enter into

1 grant agreements from monies appropriated for such purposes
2 from the Build Illinois Bond Fund. The Authority shall monitor
3 the use of the grants, and shall provide for audits of the
4 funds as well as recovery by the Authority of any funds
5 determined to have been spent in violation of this subsection
6 (n) or any rule or regulation promulgated hereunder. The
7 Authority shall provide technical assistance with regard to
8 the effective use of the urban development action grants. The
9 Authority shall file an annual report to the General Assembly
10 concerning the progress of the grant program.

11 (o) The Authority may establish a Housing Partnership
12 Program whereby the Authority provides zero-interest loans to
13 municipalities for the purpose of assisting in the financing
14 of projects for the rehabilitation of affordable multi-family
15 housing for low and moderate income residents. The Authority
16 may provide such loans only upon a municipality's providing
17 evidence that it has obtained private funding for the
18 rehabilitation project. The Authority shall provide 3 State
19 dollars for every 7 dollars obtained by the municipality from
20 sources other than the State of Illinois. The loans shall be
21 made from monies appropriated for such purpose from the Build
22 Illinois Bond Fund. The total amount of loans available under
23 the Housing Partnership Program shall not exceed \$30,000,000.
24 State loan monies under this subsection shall be used only for
25 the acquisition and rehabilitation of existing buildings
26 containing 4 or more dwelling units. The terms of any loan made

1 by the municipality under this subsection shall require
2 repayment of the loan to the municipality upon any sale or
3 other transfer of the project. In addition, the Authority may
4 use any moneys appropriated for such purpose from the Build
5 Illinois Bond Fund, including funds loaned under this
6 subsection and repaid as principal or interest, and investment
7 income on such funds, to make the loans authorized by
8 subsection (z), without regard to any restrictions or
9 limitations provided in this subsection.

10 (p) The Authority may award grants to universities and
11 research institutions, research consortiums and other
12 not-for-profit entities for the purposes of: remodeling or
13 otherwise physically altering existing laboratory or research
14 facilities, expansion or physical additions to existing
15 laboratory or research facilities, construction of new
16 laboratory or research facilities or acquisition of modern
17 equipment to support laboratory or research operations
18 provided that such grants (i) be used solely in support of
19 project and equipment acquisitions which enhance technology
20 transfer, and (ii) not constitute more than 60 percent of the
21 total project or acquisition cost.

22 (q) Grants may be awarded by the Authority to units of
23 local government for the purpose of developing the appropriate
24 infrastructure or defraying other costs to the local
25 government in support of laboratory or research facilities
26 provided that such grants may not exceed 40% of the cost to the

1 unit of local government.

2 (r) In addition to the powers granted to the Authority
3 under subsection (i), and in all cases supplemental to it, the
4 Authority may establish a direct loan program to make loans
5 to, or may purchase participations in loans made by
6 participating lenders to, individuals, partnerships,
7 corporations, or other business entities for the purpose of
8 financing an industrial project, as defined in Section 801-10
9 of this Act. For the purposes of such program and not by way of
10 limitation on any other program of the Authority, including,
11 without limitation, programs established under subsection (i),
12 the Authority shall have the power to issue bonds, notes, or
13 other evidences of indebtedness including commercial paper for
14 purposes of providing a fund of capital from which it may make
15 such loans. The Authority shall have the power to use any
16 appropriations from the State made especially for the
17 Authority's direct loan program, or moneys at any time held by
18 the Authority under this Act outside the State treasury in the
19 custody of either the Treasurer of the Authority or a trustee
20 or depository appointed by the Authority, for additional
21 capital to make such loans or purchase such loan
22 participations, or for the purposes of reserve funds or
23 pledged funds which secure the Authority's obligations of
24 repayment of any bond, note or other form of indebtedness
25 established for the purpose of providing capital for which it
26 intends to make such loans or purchase such loan

1 participations. For the purpose of obtaining such capital, the
2 Authority may also enter into agreements with financial
3 institutions, participating lenders, and other persons for the
4 purpose of administering a loan participation program, selling
5 loans or developing a secondary market for such loans or loan
6 participations. Loans made under the direct loan program
7 specifically established under this subsection (r), including
8 loans under such program made by participating lenders in
9 which the Authority purchases a participation, may be in an
10 amount not to exceed \$600,000 and shall be made for a portion
11 of an industrial project which does not exceed 50% of the total
12 project. No loan may be made by the Authority unless approved
13 by the affirmative vote of at least 8 members of the board. The
14 Authority shall establish procedures and publish rules which
15 shall provide for the submission, review, and analysis of each
16 direct loan and loan participation application and which shall
17 preserve the ability of each board member and the Executive
18 Director, as applicable, to reach an individual business
19 judgment regarding the propriety of each direct loan or loan
20 participation. The collective discretion of the board to
21 approve or disapprove each loan shall be unencumbered. The
22 Authority may establish and collect such fees and charges,
23 determine and enforce such terms and conditions, and charge
24 such interest rates as it determines to be necessary and
25 appropriate to the successful administration of the direct
26 loan program, including purchasing loan participations. The

1 Authority may require such interests in collateral and such
2 guarantees as it determines are necessary to protect the
3 Authority's interest in the repayment of the principal and
4 interest of each loan and loan participation made under the
5 direct loan program. The restrictions established under this
6 subsection (r) shall not be applicable to any loan or loan
7 participation made under subsection (i) or to any loan or loan
8 participation made under any other Section of this Act.

9 (s) The Authority may guarantee private loans to third
10 parties up to a specified dollar amount in order to promote
11 economic development in this State.

12 (t) The Authority may adopt rules and regulations as may
13 be necessary or advisable to implement the powers conferred by
14 this Act.

15 (u) The Authority shall have the power to issue bonds,
16 notes or other evidences of indebtedness, which may be used to
17 make loans to units of local government which are authorized
18 to enter into loan agreements and other documents and to issue
19 bonds, notes and other evidences of indebtedness for the
20 purpose of financing the protection of storm sewer outfalls,
21 the construction of adequate storm sewer outfalls, and the
22 provision for flood protection of sanitary sewage treatment
23 plans, in counties that have established a stormwater
24 management planning committee in accordance with Section
25 5-1062 of the Counties Code. Any such loan shall be made by the
26 Authority pursuant to the provisions of Section 820-5 to

1 820-60 of this Act. The unit of local government shall pay back
2 to the Authority the principal amount of the loan, plus annual
3 interest as determined by the Authority. The Authority shall
4 have the power, subject to appropriations by the General
5 Assembly, to subsidize or buy down a portion of the interest on
6 such loans, up to 4% per annum.

7 (v) The Authority may accept security interests as
8 provided in Sections 11-3 and 11-3.3 of the Illinois Public
9 Aid Code.

10 (w) Moral Obligation. In the event that the Authority
11 determines that monies of the Authority will not be sufficient
12 for the payment of the principal of and interest on its bonds
13 during the next State fiscal year, the Chairperson, as soon as
14 practicable, shall certify to the Governor the amount required
15 by the Authority to enable it to pay such principal of and
16 interest on the bonds. The Governor shall submit the amount so
17 certified to the General Assembly as soon as practicable, but
18 no later than the end of the current State fiscal year. This
19 subsection shall apply only to any bonds or notes as to which
20 the Authority shall have determined, in the resolution
21 authorizing the issuance of the bonds or notes, that this
22 subsection shall apply. Whenever the Authority makes such a
23 determination, that fact shall be plainly stated on the face
24 of the bonds or notes and that fact shall also be reported to
25 the Governor. In the event of a withdrawal of moneys from a
26 reserve fund established with respect to any issue or issues

1 of bonds of the Authority to pay principal or interest on those
2 bonds, the Chairperson of the Authority, as soon as
3 practicable, shall certify to the Governor the amount required
4 to restore the reserve fund to the level required in the
5 resolution or indenture securing those bonds. The Governor
6 shall submit the amount so certified to the General Assembly
7 as soon as practicable, but no later than the end of the
8 current State fiscal year. The Authority shall obtain written
9 approval from the Governor for any bonds and notes to be issued
10 under this Section. In addition to any other bonds authorized
11 to be issued under Sections 825-60, 825-65(e), 830-25 and
12 845-5, the principal amount of Authority bonds outstanding
13 issued under this Section 801-40(w) or under 20 ILCS 3850/1-80
14 or 30 ILCS 360/2-6(c), which have been assumed by the
15 Authority, shall not exceed \$150,000,000. This subsection (w)
16 shall in no way be applied to any bonds issued by the Authority
17 on behalf of the Illinois Power Agency under Section 825-90 of
18 this Act.

19 (x) The Authority may enter into agreements or contracts
20 with any person necessary or appropriate to place the payment
21 obligations of the Authority under any of its bonds in whole or
22 in part on any interest rate basis, cash flow basis, or other
23 basis desired by the Authority, including without limitation
24 agreements or contracts commonly known as "interest rate swap
25 agreements", "forward payment conversion agreements", and
26 "futures", or agreements or contracts to exchange cash flows

1 or a series of payments, or agreements or contracts, including
2 without limitation agreements or contracts commonly known as
3 "options", "puts", or "calls", to hedge payment, rate spread,
4 or similar exposure; provided that any such agreement or
5 contract shall not constitute an obligation for borrowed money
6 and shall not be taken into account under Section 845-5 of this
7 Act or any other debt limit of the Authority or the State of
8 Illinois.

9 (y) The Authority shall publish summaries of projects and
10 actions approved by the members of the Authority on its
11 website. These summaries shall include, but not be limited to,
12 information regarding the:

- 13 (1) project;
- 14 (2) Board's action or actions;
- 15 (3) purpose of the project;
- 16 (4) Authority's program and contribution;
- 17 (5) volume cap;
- 18 (6) jobs retained;
- 19 (7) projected new jobs;
- 20 (8) construction jobs created;
- 21 (9) estimated sources and uses of funds;
- 22 (10) financing summary;
- 23 (11) project summary;
- 24 (12) business summary;
- 25 (13) ownership or economic disclosure statement;
- 26 (14) professional and financial information;

1 (15) service area; and

2 (16) legislative district.

3 The disclosure of information pursuant to this subsection
4 shall comply with the Freedom of Information Act.

5 (z) Consistent with the findings and declaration of policy
6 set forth in item (j) of Section 801-5 of this Act, the
7 Authority shall have the power to make loans to the Police
8 Officers' Pension Investment Fund authorized by Section
9 22B-120 of the Illinois Pension Code and to make loans to the
10 Firefighters' Pension Investment Fund authorized by Section
11 22C-120 of the Illinois Pension Code. Notwithstanding anything
12 in this Act to the contrary, loans authorized by Section
13 22B-120 and Section 22C-120 of the Illinois Pension Code may
14 be made from any of the Authority's funds, including, but not
15 limited to, funds in its Illinois Housing Partnership Program
16 Fund, its Industrial Project Insurance Fund, or its Illinois
17 Venture Investment Fund.

18 (Source: P.A. 100-919, eff. 8-17-18; 101-610, eff. 1-1-20.)

19 (20 ILCS 3501/Art. 850 heading new)

20 ARTICLE 850

21 GENERAL PROVISIONS

22 (20 ILCS 3501/850-5 new)

23 Sec. 850-5. Climate Bank. The General Assembly designates
24 the Authority as the Climate Bank to aid in all respects with

1 providing financial assistance, programs, and products to
2 finance and otherwise develop and facilitate opportunities to
3 develop clean energy and provide clean water, drinking water,
4 and wastewater treatment in the State. Nothing in this Section
5 shall be deemed to supersede powers and regulatory duties
6 conferred to other State agencies or governmental units.

7 (20 ILCS 3501/850-10 new)

8 Sec. 850-10. Powers and duties.

9 (a) The Authority shall have the powers enumerated in this
10 Act to assist in the development and implementation of clean
11 energy in the State. The powers enumerated in this Article
12 shall be in addition to all other powers of the Authority
13 conferred in this Act, including those related to clean energy
14 and the provision of clean water, drinking water, and
15 wastewater treatment. The powers of the Authority to issue
16 bonds, notes, and other obligations to finance loans
17 administered by the Illinois Environmental Protection Agency
18 under the Public Water Supply Loan Program or the Water
19 Pollution Control Loan Program or other similar programs shall
20 not be limited or otherwise affected by this amendatory Act of
21 the 102nd General Assembly.

22 (b) In its role as the Climate Bank of the State, the
23 Authority shall have the power to: (i) administer programs and
24 funds appropriated by the General Assembly for clean energy
25 projects in eligible communities and environmental justice

1 communities or owned by eligible persons, (ii) support
2 investment in the clean energy and clean water, drinking
3 water, and wastewater treatment, (iii) support and otherwise
4 promote investment in clean energy projects to foster the
5 growth, development, and commercialization of clean energy
6 projects and related enterprises, and (iv) stimulate demand
7 for clean energy and the development of clean energy projects.

8 (c) In addition to, and not in limitation of, any other
9 power of the Authority set forth in this Section or any other
10 provisions of the general statutes, the Authority shall have
11 and may exercise the following powers in furtherance of or in
12 carrying out its clean energy powers and purposes:

13 (1) To enter into joint ventures and invest in and
14 participate with any person, including, without
15 limitation, government entities and private corporations,
16 engaged primarily in the development of clean energy
17 projects, provided that members of the Authority or
18 officers may serve as directors, members, or officers of
19 any such business entity, and such service shall be deemed
20 to be in the discharge of the duties or within the scope of
21 the employment of any such member or officer, or Authority
22 or officers, as the case may be, so long as such member or
23 officer does not receive any compensation or direct or
24 indirect financial benefit as a result of serving in such
25 role.

26 (2) To utilize funding sources, including, but not

1 limited to:

2 (A) funds repurposed from existing programs
3 providing financing support for clean energy projects,
4 provided any transfer of funds from such existing
5 programs shall be subject to approval by the General
6 Assembly and shall be used for expenses of financing,
7 grants, and loans;

8 (B) any federal funds that can be used for clean
9 energy purposes;

10 (C) charitable gifts, grants, and contributions as
11 well as loans from individuals, corporations,
12 university endowment funds, and philanthropic
13 foundations for clean energy projects or for the
14 provision of clean water, drinking water, and
15 wastewater treatment; and

16 (D) earnings and interest derived from financing
17 support activities for clean energy projects financed
18 by the Authority.

19 (3) To enter into contracts with private sources to
20 raise capital.

21 (d) The Authority may finance working capital, refinance
22 outstanding indebtedness of any person, and otherwise assist
23 in the investment of equity from any source, public or
24 private, in connection with clean energy projects or any other
25 projects authorized by this Act.

26 (e) The Authority may assess reasonable fees on its

1 financing activities to cover its reasonable costs and
2 expenses, as determined by the Authority.

3 (f) The Authority shall make information regarding the
4 rates, terms and conditions for all of its financing support
5 transactions available to the public for inspection, including
6 formal annual reviews by both a private auditor and the
7 Comptroller, and providing details to the public on the
8 Internet, provided public disclosure shall be restricted for
9 patentable ideas, trade secrets, and proprietary or
10 confidential commercial or financial information, disclosure
11 of which may cause commercial harm to a nongovernmental
12 recipient of such financing support and for other information
13 exempt from public records disclosure pursuant to Section
14 1-210.

15 (20 ILCS 3501/850-15 new)

16 Sec. 850-15. Purposes; Climate Bank. In its role as the
17 Climate Bank for the State, the Authority shall consider the
18 following purposes:

19 (1) the distribution of the benefits of clean energy
20 in an equitable manner, including by evaluating benefits
21 to eligible communities and equity investment eligible
22 persons;

23 (2) making clean energy accessible to all, especially
24 eligible persons, through financing opportunities and
25 grants for minority-owned businesses, as defined in the

1 Business Enterprise for Minorities, Women, and Persons
2 with Disabilities Act, and for low-income communities,
3 eligible communities, environmental justice communities,
4 and the businesses that serve these communities; and

5 (3) accelerating the investment of private capital
6 into clean energy projects in a manner reflective of the
7 geographic, racial, ethnic, gender, and income-level
8 diversity of the State.

9 Article 10. Energy Community Reinvestment Act

10 Section 10-1. Short title. This Article may be cited as
11 the Energy Community Reinvestment Act. References in this
12 Article to "this Act" mean this Article.

13 Section 10-5. Findings. The General Assembly finds that,
14 as part of putting Illinois on a path to 100% renewable energy,
15 the State of Illinois should ensure a just transition to that
16 goal, providing support for the transition of Illinois'
17 communities and workers impacted by closures or reduced use of
18 fossil fuel power plants, nuclear power plants, or coal mines
19 by allocating new economic development resources for business
20 tax incentives, workforce training, site clean-up and reuse,
21 and local tax revenue replacement.

22 The General Assembly finds and declares that the health,
23 safety, and welfare of the people of this State are dependent

1 upon a healthy economy and vibrant communities; that the
2 closure of fossil fuel power plants, nuclear power plants, and
3 coal mines across this State have a significant impact on
4 their surrounding communities; that the expansion of renewable
5 energy creates job growth and contributes to the health,
6 safety, and welfare of the people of this State; that the
7 continual encouragement, development, growth, and expansion of
8 renewable energy within this State requires a cooperative and
9 continuous partnership between government and the renewable
10 energy sector; and that there are certain areas in this State
11 that have lost, or will lose, jobs due to the closure of fossil
12 fuel power plants, nuclear power plants, and coal mines and
13 need the particular attention of government, labor, and the
14 residents of Illinois to help attract new investment into
15 these areas and directly aid the local community and its
16 residents.

17 Therefore, it is declared to be the purpose of this Act to
18 explore ways of stimulating the growth of new private
19 investment, including renewable energy investment, in this
20 State and to foster job growth in areas impacted by the closure
21 of coal energy plants, coal mines, and nuclear energy plants.

22 Section 10-10. Definitions. As used in this Act, unless
23 the context otherwise requires:

24 "Agencies" or "State agencies" has the same meaning as
25 "State agencies" under Section 1-7 of the Illinois State

1 Auditing Act.

2 "Commission" means the Energy Transition Workforce
3 Commission created in Section 10-15.

4 "Department" means the Department of Commerce and Economic
5 Opportunity.

6 "Displaced energy worker" means an energy worker who has
7 lost employment, or is anticipated by the Department to lose
8 employment within the next 5 years, due to the reduced
9 operation or closure of a fossil fuel power plant, nuclear
10 power plant, or coal mine.

11 "Energy worker" means a person who has been employed
12 full-time for a period of one year or longer, and within the
13 previous 5 years, at a fossil fuel power plant, a nuclear power
14 plant, or a coal mine located within the State of Illinois,
15 whether or not they are employed by the owner of the power
16 plant or mine. Energy workers are considered to be full-time
17 if they work at least 35 hours per week for 45 weeks a year or
18 the 1,820 work-hour equivalent with vacations, paid holidays,
19 and sick time, but not overtime, included in this computation.
20 Classification of an individual as an energy worker continues
21 for 5 years from the latest date of employment or the effective
22 date of this Act, whichever is later.

23 "Environmental justice communities" shall have the meaning
24 set forth in Section 1-56 of the Illinois Power Agency Act and
25 the most recent Commission-approved long-term renewable
26 resources procurement plan of the Illinois Power Agency.

1 "Investor-owned electric generating plant" means an
2 electric generating unit or fossil fuel-fired unit that has a
3 nameplate capacity or serves a generator that has a nameplate
4 capacity greater than 25Mwe and that produces electricity,
5 including, but not limited to, coal-fired, coal-derived,
6 oil-fired, natural gas-fired, and cogeneration units.

7 "Local labor market area" means an economically integrated
8 area within which individuals reside and find employment
9 within a reasonable distance of their places of residence or
10 can readily change jobs without changing their places of
11 residence.

12 "Low-income" means persons and families whose income does
13 not exceed 80% of area median income, adjusted for family size
14 and revised every 2 years.

15 "Renewable energy enterprise" means a company that is
16 engaged in the production, manufacturing, distribution, or
17 development of renewable energy resources and associated
18 technologies.

19 "Renewable energy project" means a project conducted by a
20 renewable energy enterprise for the purpose of generating
21 renewable energy resources or energy storage.

22 "Renewable energy resources" has the meaning set forth in
23 Section 1-10 of the Illinois Power Agency Act.

24 "Rule" has the meaning set forth in Section 1-70 of the
25 Illinois Administrative Procedure Act.

1 Section 10-15. Energy Transition Workforce Commission.

2 (a) The Energy Transition Workforce Commission is hereby
3 created within the Department of Commerce and Economic
4 Opportunity.

5 (b) The Commission shall consist of the following members:

6 (1) the Director of Commerce and Economic Opportunity;

7 (2) the Director of Labor, or his or her designee, who
8 shall serve as chairperson;

9 (3) 5 members appointed by the Governor, with the
10 advice and consent of the Senate, of which at least one
11 shall be a representative of a local labor organization,
12 at least one shall be a resident of an environmental
13 justice community, at least one shall be a representative
14 of a national labor organization, and at least one shall
15 be a representative of the administrator of workforce
16 training programs created by this Act. Designees shall be
17 appointed within 60 days after a vacancy; and

18 (4) the 3 Regional Administrators selected under
19 Section 5-15 of the Energy Transition Act.

20 (c) Members of the Commission shall serve without
21 compensation, but may be reimbursed for necessary expenses
22 incurred in the performance of their duties from funds
23 appropriated for that purpose. The Department of Commerce and
24 Economic Opportunity shall provide administrative support to
25 the Commission.

26 (d) Within 240 days after the effective date of this Act,

1 and in consultation with the Department of Revenue and the
2 Environmental Protection Agency, the Commission shall produce
3 an Energy Transition Workforce Report regarding the
4 anticipated impact of the energy transition and a
5 comprehensive set of recommendations to address changes to the
6 Illinois workforce during the period of 2020 through 2050, or
7 a later year. The report shall contain the following elements,
8 designed to be used for the programs created in this Act:

9 (1) Information related to the impact on current
10 workers, including:

11 (A) a comprehensive accounting of all employees
12 who currently work in fossil fuel energy generation,
13 nuclear energy generation, and coal mining in the
14 State; upon receipt of the employee's written
15 authorization for the employer's release of such
16 information to the Commission, this shall include
17 information on their location, employer, salary
18 ranges, full-time or part-time status, nature of their
19 work, educational attainment, union status, and other
20 factors the Commission finds relevant;

21 (B) the anticipated schedule of closures of fossil
22 fuel power plants, nuclear power plants, and coal
23 mines across the State; when information is
24 unavailable to provide exact data, the report shall
25 include approximations based upon the best available
26 information; and

1 (C) an estimate of worker impacts due to scheduled
2 closures, including layoffs, early retirements, salary
3 changes, and other factors the Commission finds
4 relevant.

5 (2) Information regarding impact on communities and
6 local governments, including:

7 (A) changes in the revenue for units of local
8 government in areas that currently or recently have
9 had a closure or reduction in operation of a fossil
10 fuel power plant, nuclear power plant, coal mine, or
11 related industry;

12 (B) environmental impacts in areas that currently
13 or recently have had fossil fuel power plants, coal
14 mines, nuclear power plants, or related industry; and

15 (C) economic impacts of the energy transition,
16 including, but not limited to, the supply chain
17 impacts of the energy transition shift toward new
18 energy sources across the State.

19 (3) Information on emerging industries and State
20 economic development opportunities in regions that have
21 historically been the site of fossil fuel power plants,
22 nuclear power plants, or coal mining.

23 (e) The Department shall periodically review its findings
24 in the developed reports and make modifications to the report
25 and programs based on new findings. The Department shall
26 conduct a comprehensive reevaluation of the report, and

1 publish a modified version, on each of the following years
2 following initial publication: 2023; 2027; 2030; 2035; 2040;
3 and any year thereafter which the Department determines is
4 necessary or prudent.

5 Section 10-20. Energy Transition Community Grants.

6 (a) Subject to appropriation, the Department shall
7 establish an Energy Transition Community Grant Program to
8 award grants to promote economic development in eligible
9 communities.

10 (b) Funds shall be made available from the Energy
11 Transition Assistance Fund to the Department to provide these
12 grants.

13 (c) Communities eligible to receive these grants must meet
14 one or more of the following:

15 (1) the area contains a fossil fuel or nuclear power
16 plant that was retired from service or has significantly
17 reduced service within 6 years before the application for
18 designation or will be retired or have service
19 significantly reduced within 6 years following the
20 application for designation;

21 (2) the area contains a coal mine that was closed or
22 had operations significantly reduced within 6 years before
23 the application for designation or is anticipated to be
24 closed or have operations significantly reduced within 6
25 years following the application for designation; or

1 (3) the area contains a nuclear power plant that was
2 decommissioned, but continued storing nuclear waste before
3 the effective date of this Act.

4 (d) Local units of governments in eligible areas may join
5 with any other local unit of government, economic development
6 organization, local educational institutions, community-based
7 groups, or with any number or combination thereof to apply for
8 the Energy Transition Community Grant.

9 (e) To receive grant funds, an eligible community must
10 submit an application to the Department, using a form
11 developed by the Department.

12 (f) For grants awarded to counties or other entities that
13 are not the city that hosts or has hosted the investor-owned
14 electric generating plant, a resolution of support for the
15 project from the city or cities that hosts or has hosted the
16 investor-owned electric generating plant is required to be
17 submitted with the application.

18 (g) Grants must be used to plan for or address the economic
19 and social impact on the community or region of plant
20 retirement or transition.

21 (h) Project applications shall include community input and
22 consultation with a diverse set of stakeholders, including,
23 but not limited to: Regional Planning Councils, where
24 applicable; economic development organizations; low-income or
25 environmental justice communities; educational institutions;
26 elected and appointed officials; organizations representing

1 workers; and other relevant organizations.

2 (i) Grant costs are authorized to procure third-party
3 vendors for grant writing and implementation costs, including
4 for guidance and opportunities to apply for additional
5 federal, State, local, and private funding resources. If the
6 application is approved for pre-award, one-time reimbursable
7 costs to apply for the Energy Transition Community Grant are
8 authorized up to 3% of the award.

9 (j) Units of local government that are taxing authorities
10 for a nuclear plant that was decommissioned before January 1,
11 2021 shall receive grants in proportional shares of \$15 per
12 kilogram of spent nuclear fuel stored at such a facility, less
13 any payments made to such communities from the federal
14 government based on the amount of waste stored at a
15 decommissioned nuclear plant and any property tax payments.

16 Section 10-25. Displaced Energy Workers Bill of Rights.

17 (a) The Department, in collaboration with the Department
18 of Employment Security, shall have the authority to implement
19 the Displaced Energy Workers Bill of Rights, and shall be
20 responsible for the implementation of the Displaced Energy
21 Workers Bill of Rights programs and rights created under this
22 Section. For purposes of this Section, "closure" means the
23 permanent shutdown of an electric generating unit or coal
24 mine. The Department shall provide the following benefits to
25 displaced energy workers listed in paragraphs (1) through (4)

1 of this subsection:

2 (1) Advance notice of power plant or coal mine
3 closure.

4 (A) The Department shall notify all energy workers
5 of the upcoming closure of any qualifying facility as
6 far in advance of the scheduled closing date as it can.
7 The Department shall engage the employer and energy
8 workers no later than within 30 days of a closure or
9 deactivation notice being filed by the plant owner to
10 the Regional Transmission Organization of
11 jurisdiction, within 30 days of the announced closure
12 of a coal mine, within 30 days of a WARN notice being
13 filed with the Department, or within 30 days of an
14 announcement or requirement of cessation of operations
15 of a plant or mine from another authoritative source,
16 whichever is first.

17 (B) In providing the advance notice described in
18 this paragraph (1), the Department shall take
19 reasonable steps to ensure that all displaced energy
20 workers are educated on the various programs available
21 through the Department to assist with the energy
22 transition.

23 (2) Education on programs. The Department shall take
24 reasonable steps to ensure that all displaced energy
25 workers are educated on the various programs available
26 through the Department to assist with the energy

1 transition, including, but not limited to, the Illinois
2 Dislocated Worker and Rapid Response programs. The
3 Department will develop an outreach strategy, workforce
4 toolkit and quick action plan to deploy when closures are
5 announced. This strategy will include identifying any
6 additional resources that may be needed to aid worker
7 transitions that would require contracting services.

8 (3) The Department shall provide information and
9 consultation to displaced energy workers on various
10 employment and educational opportunities available to
11 them, supportive services, and advise workers on which
12 opportunities meet their skills, needs, and preferences.

13 (A) Available services will include reemployment
14 services, training services, work-based learning
15 services, and financial and retirement planning
16 support.

17 (B) The Department will provide skills matching as
18 part of career counseling services to enable
19 assessment of the displaced energy worker's skills and
20 map those skills to emerging occupations in the region
21 or nationally, or both, depending on the displaced
22 worker's preferences.

23 (C) For energy workers who may be interested in
24 entrepreneurial pursuits, the Department will connect
25 these individuals with their area Small Business
26 Development Center, procurement technical assistance

1 centers, and economic development organization to
2 engage in services, including, but not limited to,
3 business consulting, business planning, regulatory
4 compliance, marketing, training, accessing capital,
5 and government bid certification assistance.

6 (4) Financial planning services. Displaced energy
7 workers shall be entitled to services as described in the
8 energy worker programs in this subsection, including
9 financial planning services.

10 (b) Plant owners and the owners of coal mines located in
11 Illinois shall be required to comply with the requirements set
12 out in this subsection (b). The owners shall be required to
13 take the following actions:

14 (1) Provide written notice of deactivation or closure
15 filing with the Regional Transmission Organization of
16 jurisdiction to the Department within 48 hours, if
17 applicable.

18 (2) Provide employment information for energy workers;
19 90 days prior to the closure of an electric generating
20 unit or mine, the owners of the power plant or mine shall
21 provide energy workers information on whether there are
22 employment opportunities provided by their employer.

23 (3) Annually report to the Department on announced
24 closures of qualifying facilities. The report must include
25 information on expected closure date, number of employees,
26 planning processes, services offered for employees (such

1 as training opportunities) leading up to the closure,
2 efforts made to retain employees through other employment
3 opportunities within the company, and any other
4 information that the Department requires in order to
5 implement this Section.

6 (4) Ninety days prior to closure date, provide a final
7 closure report to the Department that includes expected
8 closure date, number of employees and salaries, transition
9 support the company is providing to employee and
10 timelines, including assistance for training
11 opportunities, transportation support or child care
12 resources to attend training, career counseling, resume
13 support, and others. The closure report will be made
14 available to the chief elected official of each municipal
15 and county government within which the employment loss,
16 relocation, or mass layoff occurs. It shall not be made
17 publicly available.

18 (5) Ninety days prior to closure date, provide job
19 descriptions for each employee at the plant or mine to the
20 Department and the entity providing career and training
21 counseling.

22 (6) Ninety days prior to closure date, make available
23 to the Department and the entity providing career and
24 training counseling any industry-related certifications
25 and on-the-job training the employee earned to allow union
26 training programs, community colleges, or other

1 certification programs to award credit for life
2 experiences in order to reduce the amount of time to
3 complete training, certificates, or degrees for the
4 dislocated employee.

5 Section 10-30. Displaced Energy Worker Dependent
6 Transition Scholarship.

7 (a) Subject to appropriation, the benefits of this Section
8 shall be administered by and paid for out of funds made
9 available to the Illinois Student Assistance Commission.

10 (b) Any natural child, legally adopted child, or stepchild
11 of an eligible displaced energy worker who possesses all
12 necessary entrance requirements shall, upon application and
13 proper proof, be awarded a transition scholarship consisting
14 of the equivalent of one calendar year of full-time
15 enrollment, including summer terms, to the State-supported
16 Illinois institution of higher learning of his or her choice.

17 (c) As used in this Section, "eligible displaced energy
18 worker" means an energy worker who has lost employment due to
19 the reduced operation or closure of a fossil fuel power plant
20 or coal mine.

21 (d) Full-time enrollment means 12 or more semester hours
22 of courses per semester, or 12 or more quarter hours of courses
23 per quarter, or the equivalent thereof per term. Scholarships
24 utilized by dependents enrolled in less than full-time study
25 shall be computed in the proportion which the number of hours

1 so carried bears to full-time enrollment.

2 (e) Scholarships awarded under this Section may be used by
3 a child without regard to his or her age. The holder of a
4 Scholarship awarded under this Section shall be subject to all
5 examinations and academic standards, including the maintenance
6 of minimum grade levels, that are applicable generally to
7 other enrolled students at the Illinois institution of higher
8 learning where the scholarship is being used.

9 (f) An applicant is eligible for a scholarship under this
10 Section when the Commission finds the applicant:

11 (1) is the natural child, legally adopted child, or
12 stepchild of an eligible displaced energy worker; and

13 (2) in the absence of transition scholarship
14 assistance, will be deterred by financial considerations
15 from completing an educational program at the
16 State-supported Illinois institution of higher learning of
17 his or her choice.

18 (g) Funds may be made available from the Energy Transition
19 Assistance Fund to the Commission to provide these grants.

20 (h) The scholarship shall only cover tuition and fees at
21 the rates offered to students residing within the State or in
22 the district, but shall not exceed the cost equivalent of one
23 calendar year of full-time enrollment, including summer terms,
24 at the University of Illinois. The Commission shall determine
25 the grant amount for each student.

1 Section 10-40. Energy Community Reinvestment Report.
2 Beginning 365 days after the effective date of this Act, and at
3 least once each calendar year thereafter, the Department shall
4 create or commission the creation of a report on the energy
5 worker and transition programs created in this Act and publish
6 the report on its website. The report shall, at a minimum,
7 contain information on program metrics, the demographics of
8 participants, program impact, and recommendations for future
9 modifications to the services provided by the Department under
10 these programs.

11 Section 10-70. Administrative review. All final
12 administrative decisions, including, but not limited to,
13 funding allocation and rules issued by the Department under
14 this Act are subject to judicial review under the
15 Administrative Review Law. No action may be commenced under
16 this Section prior to 60 days after the complainant has given
17 notice in writing of the action to the Department.

18 Section 10-90. Repealer. This Act is repealed 24 years
19 after the effective date of this Act.

20 Article 15. Community Energy, Climate, and Jobs Planning Act

21 Section 15-1. Short title. This Article may be cited as
22 the Community Energy, Climate, and Jobs Planning Act.

1 References in this Article to "this Act" mean this Article.

2 Section 15-5. Findings. The General Assembly makes the
3 following findings:

4 (1) The health, welfare, and prosperity of Illinois
5 residents require that Illinois take all steps possible to
6 combat climate change, address harmful environmental
7 impacts deriving from the generation of electricity,
8 maximize quality job creation in the emerging clean energy
9 economy, ensure affordable utility service, equitable and
10 affordable access to transportation, and clean, safe, and
11 affordable housing.

12 (2) The achievement of these goals will depend on
13 strong community engagement to ensure that programs and
14 policy solutions meet the needs of disparate communities.

15 (3) Ensuring that these goals are met without adverse
16 impacts on utility bill affordability, housing
17 affordability, and other essential services will depend on
18 the coordination of policies and programs within local
19 communities.

20 Section 15-10. Definitions. As used in this Act:

21 "Alternative energy improvement" means the installation or
22 upgrade of electrical wiring, outlets, or charging stations to
23 charge a motor vehicle that is fully or partially powered by
24 electricity; photovoltaic, energy storage, or thermal

1 resource; or any combination thereof.

2 "Disadvantaged worker" means an individual who is defined
3 as: (1) being homeless; (2) being a custodial single parent;
4 (3) being a recipient of public assistance; (4) lacking a high
5 school diploma or high school equivalency; (5) having a
6 criminal record or other involvement in the criminal justice
7 system; (6) suffering from chronic unemployment; (7) being
8 previously in the child welfare system; or (8) being a
9 veteran.

10 "Energy efficiency improvement" means equipment, devices,
11 or materials intended to decrease energy consumption or
12 promote a more efficient use of electricity, natural gas,
13 propane, or other forms of energy on property, including, but
14 not limited to:

15 (1) insulation in walls, roofs, floors, foundations,
16 or heating and cooling distribution systems;

17 (2) storm windows and doors, multi-glazed windows and
18 doors, heat-absorbing or heat-reflective glazed and coated
19 window and door systems, and additional glazing,
20 reductions in glass area, and other window and door system
21 modifications that reduce energy consumption;

22 (3) automated energy control systems;

23 (4) high efficiency heating, ventilating, or
24 air-conditioning and distribution system modifications or
25 replacements;

26 (5) caulking, weather-stripping, and air sealing;

1 (6) replacement or modification of lighting fixtures
2 to reduce the energy use of the lighting system;

3 (7) energy controls or recovery systems;

4 (8) day lighting systems;

5 (9) any energy efficiency project, as defined in
6 Section 825-65 of the Illinois Finance Authority Act; and

7 (10) any other installation or modification of
8 equipment, devices, or materials approved as a utility
9 cost-saving measure by the governing body.

10 "Energy project" means the installation or modification of
11 an alternative energy improvement, energy efficiency
12 improvement, or water use improvement, or the acquisition,
13 installation, or improvement of a renewable energy system that
14 is affixed to a stabilized existing property, including new
15 construction.

16 "Environmental justice communities" means the proposed
17 definition of that term based on existing methodologies and
18 findings used by the Illinois Power Agency and its
19 Administrator in its Illinois Solar for All Program.

20 "Equity investment eligible community" or "eligible
21 community" are synonymous and mean the geographic areas
22 throughout Illinois which would most benefit from equitable
23 investments by the State designed to combat discrimination and
24 foster sustainable economic growth. Specifically, eligible
25 communities shall be defined as the following areas:

26 (1) R3 Areas as established pursuant to Section 10-40

1 of the Cannabis Regulation and Tax Act, where residents
2 have historically been excluded from economic
3 opportunities, including opportunities in the energy
4 sector; and

5 (2) Environmental justice communities, as defined by
6 the Illinois Power Agency pursuant to the Illinois Power
7 Agency Act, where residents have historically been subject
8 to disproportionate burdens of pollution, including
9 pollution from the energy sector.

10 "Equity investment eligible person" or "eligible person"
11 are synonymous and mean the persons who would most benefit
12 from equitable investments by the State designed to combat
13 discrimination and foster sustainable economic growth.
14 Specifically, "eligible person" means the following people:

15 (1) a person whose primary residence is in an equity
16 investment eligible community;

17 (2) a person who is a graduate of or currently
18 enrolled in the foster care system; or

19 (3) a person who was formerly incarcerated.

20 "Governing body" means the county board or board of county
21 commissioners of a county, the city council of a municipality,
22 or the board of trustees of a village.

23 "Local Employment Plan" means a bidding option that public
24 agencies may include in requests for proposals to incentivize
25 bidders to voluntarily plan to retain and create high-skilled
26 local manufacturing jobs; invest in preapprenticeship,

1 apprenticeship, and training opportunities; and develop
2 family-sustaining career pathways into clean energy industries
3 for disadvantaged workers in a specified local area. The Local
4 Employment Plan only applies to work that is not financed with
5 federal money.

6 "Local unit of government" means a county, municipality,
7 or village.

8 "Natural climate solutions" means conservation,
9 restoration, or improved land management actions that increase
10 carbon storage or avoid greenhouse gas emissions on natural
11 and working lands.

12 "Nature-based approaches for climate adaptation" means
13 actions that preserve, enhance, or expand functions provided
14 by nature that increase capacity to manage adverse conditions
15 created or exacerbated by climate change. "Nature-based
16 approaches for climate adaptation" includes, but is not
17 limited to, the restoration of native ecosystems, especially
18 floodplains; installation of bioswales, rain gardens, and
19 other green stormwater infrastructure; and practices that
20 increase soil health and reduce urban heat island effects.

21 "Public agency" means the State of Illinois or any of its
22 government bodies and subdivisions, including the various
23 counties, townships, municipalities, school districts,
24 educational service regions, special road districts, public
25 water supply districts, drainage districts, levee districts,
26 sewer districts, housing authorities, and transit agencies.

1 "Renewable energy resource" includes energy and its
2 associated renewable energy credit or renewable energy credits
3 from wind energy, solar thermal energy, geothermal energy,
4 photovoltaic cells and panels, biodiesel, anaerobic digestion,
5 and hydropower that does not involve new construction or
6 significant expansion of hydropower dams. For purposes of this
7 Act, landfill gas produced in the State is considered a
8 renewable energy resource. "Renewable energy resource" does
9 not include the incineration or burning of any solid material.

10 "Renewable energy system" means a fixture, product,
11 device, or interacting group of fixtures, products, or devices
12 on the customer's side of the meter that use one or more
13 renewable energy resources to generate electricity, and
14 specifically includes any renewable energy project, as defined
15 in Section 825-65 of the Illinois Finance Authority Act.

16 "U.S. Employment Plan" means a bidding option that public
17 agencies may include in requests for proposals to incentivize
18 bidders to voluntarily plan to retain and create high-skilled
19 U.S. manufacturing jobs; invest in preapprenticeship,
20 apprenticeship, and training opportunities; and develop
21 family-sustaining career pathways into clean energy industries
22 for disadvantaged workers throughout the U.S. The U.S.
23 Employment Plan only applies to work financed with federal
24 Money.

25 "Water use improvement" means any fixture, product,
26 system, device, or interacting group thereof for or serving

1 any property that has the effect of conserving water resources
2 through improved water management, efficiency, or thermal
3 resource.

4 Section 15-15. Community Energy, Climate, and Jobs Plans;
5 creation.

6 (a) Pursuant to the procedures in Section 15-20, a local
7 unit of government may establish Community Energy, Climate,
8 and Jobs Plans and identify boundaries and areas covered by
9 the Plans.

10 (b) Community Energy, Climate, and Jobs Plans are intended
11 to aid local governments in developing a comprehensive
12 approach to combining different energy, climate, and jobs
13 programs and funding resources to achieve complementary
14 impact. An effective planning process may:

15 (1) help communities discover ways that their local
16 government, businesses, and residents can control their
17 energy use and lower their bills;

18 (2) ensure a cost-effective transition away from
19 fossil fuels in the transportation sector;

20 (3) expand access to workforce development and job
21 training opportunities for disadvantaged workers in the
22 emerging clean energy economy;

23 (4) incentivize the creation and retention of quality
24 Illinois jobs (when federal funds are not involved) in the
25 emerging clean energy economy;

1 (5) incentivize the creation and retention of quality
2 U.S. jobs in the emerging clean energy economy;

3 (6) promote economic development through improvements
4 in community infrastructure, transit, and support for
5 local business;

6 (7) improve the health of Illinois communities,
7 especially eligible communities, by reducing emissions,
8 addressing existing brownfield areas, and promoting the
9 integration of distributed energy resources;

10 (8) enable greater customer engagement, empowerment,
11 and options for energy services, and ultimately reduce
12 utility bills for Illinoisans;

13 (9) bring the benefits of grid modernization and the
14 deployment of distributed energy resources to economically
15 disadvantaged communities and eligible communities
16 throughout Illinois;

17 (10) support existing Illinois policy goals promoting
18 energy efficiency, demand response, and investments in
19 renewable energy resources;

20 (11) enable communities to better respond to extreme
21 heat and cold emergencies;

22 (12) explore opportunities to expand and improve
23 recreational amenities, wildlife habitat, flood
24 mitigation, agricultural production, tourism, and similar
25 co-benefits by deploying natural climate solutions and
26 nature-based approaches for climate adaptation; and

1 (13) ensure eligible persons, minorities, women,
2 people with disabilities, and veterans meaningfully
3 participate in the transition to a clean energy economy.

4 (c) A Community Energy, Climate, and Jobs Plan may include
5 discussion of:

6 (1) the demographics of the community, including
7 information on the mix of residential and commercial areas
8 and populations, ages, languages, education, and workforce
9 training, including an examination of the average utility
10 bills paid within the community by class and zip code, the
11 percentage and locations of individuals requiring energy
12 assistance, and participation of community members in
13 other assistance programs;

14 (2) an examination of the community's energy use, for
15 electricity, natural gas, transportation, and other fuels;

16 (3) the geography of the community, including the
17 amount of green space, brownfield sites, farmland,
18 waterways, flood zones, heat islands, areas for potential
19 development, location of critical infrastructure such as
20 emergency response facilities, health care and education
21 facilities, and public transportation routes;

22 (4) information on economic development opportunities,
23 commercial usage, and employment opportunities;

24 (5) the current status of zero emission vehicles
25 operated by or on behalf of public agencies within the
26 community; and

1 (6) other topics deemed applicable by the community.

2 (d) A Community Energy, Climate, and Jobs Plan may address
3 the following areas:

4 (1) distributed energy resources, including energy
5 efficiency, demand response, dynamic pricing, energy
6 storage, and solar (thermal, rooftop, and community);

7 (2) building codes, both commercial and residential;

8 (3) alternative transportation funding;

9 (4) transit options, including individual car
10 ownership, ridesharing, buses, trains, bicycles, and
11 pedestrian walkways;

12 (5) community assets related to extreme heat and cold
13 emergencies, such as cooling and warming centers;

14 (6) public agency procurements of zero emission,
15 electric vehicles; and

16 (7) networks of natural resources and infrastructure.

17 (e) A Community Energy, Climate, and Jobs Plan may
18 conclude with proposals to:

19 (1) increase the use of electricity as a
20 transportation fuel at multi-unit dwellings;

21 (2) maximize the system-wide benefits of
22 transportation electrification;

23 (3) direct public agencies to implement tools, such as
24 the U.S. Employment Plan or a Local Employment Plan, to
25 incentivize manufacturers in clean energy industries to
26 create and retain quality jobs and invest in training,

1 workforce development, and apprenticeship programs in
2 connection to a major contract;

3 (4) test innovative load management programs or rate
4 structures associated with the use of electric vehicles by
5 residential customers to achieve customer fuel cost
6 savings relative to gasoline or diesel fuels and to
7 optimize grid efficiency;

8 (5) increase the integration of distributed energy
9 resources in the community;

10 (6) significantly expand the percentage of net-zero
11 housing and net-zero buildings in the community;

12 (7) improve utility bill affordability;

13 (8) increase mass transit ridership;

14 (9) decrease vehicle miles traveled;

15 (10) reduce local emissions of greenhouse gases, NO_x,
16 SO_x, particulate matter, and other air pollutants;

17 (11) improve community assets that help residents
18 respond to extreme heat and cold emergencies; and

19 (12) expand opportunities for eligible persons,
20 minorities, women, people with disabilities, and veterans
21 to meaningfully participate in the transition to a clean
22 energy economy.

23 (f) A Community Energy, Climate, and Jobs Plan may be
24 administered by one or more program administrators or the
25 local unit of government.

1 Section 15-20. Community Energy, Climate, and Jobs
2 Planning process.

3 (a) An effective planning process shall engage a diverse
4 set of stakeholders in local communities, including:
5 environmental justice organizations; economic development
6 organizations; faith-based nonprofit organizations;
7 educational institutions; interested residents; health care
8 institutions; tenant organizations; housing institutions,
9 developers, and owners; elected and appointed officials; and
10 representatives reflective of each local community.

11 (b) An effective planning process shall engage individual
12 members of the community to the extent possible to ensure that
13 the Plans receive input from as diverse a set of perspectives
14 as possible.

15 (c) Plan materials and meetings related to the Plan shall
16 be translated into languages that reflect the makeup of the
17 local community.

18 (d) The planning process shall be conducted in an ethical,
19 transparent fashion, and continually review its policies and
20 practices to determine how best to meet its objectives.

21 (e) The Community, Energy, and Climate Plans shall take
22 into account other applicable or relevant economic development
23 plans, such as a Comprehensive Economic Development Strategy,
24 developed by a local unit of government, economic development
25 organization, or Regional Planning Council.

1 Section 15-25. Joint Community Energy, Climate, and Jobs
2 Plans. A local unit of government may join with any other local
3 unit of government, or with any public or private person, or
4 with any number or combination thereof, under the
5 Intergovernmental Cooperation Act, by contract or otherwise as
6 may be permitted by law, for the implementation of a Community
7 Energy, Climate, and Jobs Plan, in whole or in part.

8 Section 15-90. Repealer. This Act is repealed 24 years
9 after the effective date of this Act.

10 Article 20. Illinois Clean Energy
11 Jobs and Justice Fund Act

12 Section 20-1. Short title. This Article may be cited as
13 the Clean Energy Jobs and Justice Fund Act. References in this
14 Article to "this Act" mean this Article.

15 Section 20-5. Purpose. The purpose of this Act is to
16 promote the health, welfare, and prosperity of all the
17 residents of this State by ensuring access to financial
18 products that allow Illinois residents and businesses to
19 invest in clean energy. Furthermore, the Clean Energy Jobs and
20 Justice Fund, is designed to fill the following purposes:

- 21 (1) ensure that the benefits of the clean energy
22 economy are equitably distributed;

1 (2) make clean energy accessible to all through the
2 provision of innovative financing opportunities and grants
3 for Minority Business Enterprises (MBE) and other
4 contractors of color, and for low-income, environmental
5 justice, and BIPOC communities and the businesses that
6 serve these communities;

7 (3) prioritize the provision of public and private
8 capital for clean energy investment to MBEs and other
9 contractors of color, and to businesses serving
10 low-income, environmental justice, and BIPOC communities;

11 (4) accelerate the flow of private capital into clean
12 energy markets;

13 (5) assist low-income, environmental justice, and
14 BIPOC community utility customers in paying for solar and
15 energy efficiency upgrades through energy cost savings;

16 (6) increase access to no-cost and low-cost loans for
17 MBE and other contractors of color;

18 (7) develop financing products designed to compensate
19 for historical and structural barriers preventing
20 low-income, environmental justice, and BIPOC communities
21 from accessing traditional financing;

22 (8) leverage private investment in clean energy
23 projects and in projects developed by MBEs and other
24 contractors of color; and

25 (9) pursue financial self-sustainability through
26 innovative financing products.

1 Section 20-10. Definitions. As used in this Act:

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

7 "Board" means the Board of Directors of the Clean Energy
8 Jobs and Justice Fund.

9 "Contractor of color" means a business entity that is at
10 least 51% owned by one or more BIPOC persons, or in the case of
11 a corporation, at least 51% of the corporation's stock is
12 owned by one or more BIPOC persons, and the management and
13 daily business operations of which are controlled by one or
14 more of the BIPOC persons who own it. A contractor of color may
15 also be a nonprofit entity with a board of directors composed
16 of at least 51% BIPOC persons or a nonprofit entity certified
17 by the State of Illinois to be minority-led.

18 "Environmental justice communities" means the definition
19 of that term based on existing methodologies and findings used
20 by the Illinois Power Agency and its Administrator of the
21 Illinois Solar for All Program.

22 "Fund" means the Clean Energy Jobs and Justice Fund.

23 "Low-income" means households whose income does not exceed
24 80% of Area Median Income (AMI), adjusted for family size and
25 revised every 5 years.

1 "Low-income community" means a census tract where at least
2 half of households are low-income.

3 "Minority-owned business enterprise" or "MBE" means a
4 business certified as such by an authorized unit of government
5 or other authorized entity in Illinois.

6 "Municipality" means a city, village, or incorporated
7 town.

8 "Person" means any natural person, firm, partnership,
9 corporation, either domestic or foreign, company, association,
10 limited liability company, joint stock company, or association
11 and includes any trustee, receiver, assignee, or personal
12 representative thereof.

13 Section 20-15. Clean Energy Jobs and Justice Fund.

14 (a) Not later than 30 days after the effective date of this
15 Act, there shall be incorporated a nonprofit corporation to be
16 known as the "Clean Energy Jobs and Justice Fund".

17 (b) The Fund shall not be an agency or instrumentality of
18 the State Government.

19 (c) The full faith and credit of the State of Illinois
20 shall not extend to the Fund.

21 (d) The Fund shall:

22 (1) Be an organization described in subsection (c) of
23 Section 501 of the Internal Revenue Code of 1986 and
24 exempt from taxation under subsection (a) of Section 501
25 of that Code;

1 (2) Ensure that no part of the income or assets of the
2 Fund shall inure to the benefit of any director, officer,
3 or employee, except as reasonable compensation for
4 services or reimbursement for expenses; and

5 (3) Not contribute to or otherwise support any
6 political party or candidate for elective office.

7 Section 20-20. Board of Directors.

8 (a) The Fund shall be managed by, and its powers,
9 functions, and duties shall be exercised through, a Board to
10 be composed of 11 members. The initial members of the Board
11 shall be appointed by the Governor with the advice and consent
12 of the Senate within 60 days after the effective date of this
13 Act. Members of the Board shall be broadly representative of
14 the communities that the Fund is designed to serve. Of such
15 members:

16 (1) at least one member shall be selected from each of
17 the following geographic regions in the State: northeast,
18 northwest, central, and southern;

19 (2) at least 2 members shall have experience in
20 providing energy-related services to low-income,
21 environmental justice, or BIPOC communities;

22 (3) at least one member shall own or be employed by an
23 MBE or BIPOC-owned business focused on the deployment of
24 clean energy;

25 (4) at least one member shall be a policy or

1 implementation expert in serving low-income, environmental
2 justice or BIPOC communities or individuals, including
3 environmental justice communities, BIPOC communities,
4 formerly convicted persons, persons who are or were in the
5 child welfare system, displaced energy workers, gender
6 nonconforming and transgender individuals, or youth; and

7 (5) at least one member shall be from a
8 community-based organization with a specific mission to
9 support racially and socioeconomically diverse
10 environmental justice communities.

11 (a-5) The terms of the initial members of the Board shall
12 be as follows:

13 (1) 5 members appointed and confirmed shall have
14 initial 5-year terms;

15 (2) 3 members appointed and confirmed shall have
16 initial 4-year terms; and

17 (3) 3 members appointed and confirmed shall have
18 initial 3-year terms.

19 (b) Subsequent composition and terms.

20 (1) Except for the selection of the initial members of
21 the Board for their initial terms under paragraph (1) of
22 subsection (a) of this Section, the members of the Board
23 shall be elected by the members of the Board.

24 (2) A member of the Board shall be disqualified from
25 voting for any position on the Board for which such member
26 is a candidate.

1 (3) All members elected pursuant to paragraph (2) of
2 subsection (a) of this Section shall have a term of 5
3 years.

4 (c) The members of the Board shall be broadly
5 representative of the communities that the Fund is designed to
6 serve and shall collectively have expertise in environmental
7 justice, energy efficiency, distributed renewable energy,
8 workforce development, finance and investments, clean
9 transportation, and climate resilience. Of such members:

10 (1) not fewer than 2 shall be selected from each of the
11 following geographic regions in the State: northeast,
12 northwest, central, and southern;

13 (2) not fewer than 2 shall be from an MBE or
14 BIPOC-owned business focused on the deployment of clean
15 energy;

16 (3) not fewer than 2 shall be from a community-based
17 organization with a specific mission to support racially
18 and socioeconomically diverse environmental justice
19 communities; and

20 (4) not fewer than 2 shall be from an organization
21 specializing in providing energy-related services to
22 low-income, environmental justice, or BIPOC communities.

23 (5) Members of the Board can fulfill multiple
24 criteria, such as representing the southern region and an
25 MBE or BIPOC-owned business focused on the deployment of
26 clean energy.

1 (d) No officer or employee of the State or any other level
2 of government may be appointed or elected as a member of the
3 Board.

4 (e) Seven members of the Board shall constitute a quorum.

5 (f) The Board shall adopt, and may amend, such bylaws as
6 are necessary for the proper management and functioning of the
7 Fund. Such bylaws shall include designation of officers of the
8 Fund and the duties of such officers.

9 (g) No person who is an employee in any managerial or
10 supervisory capacity, director, officer or agent or who is a
11 member of the immediate family of any such employee, director,
12 officer, or agent of any public utility is eligible to be a
13 director. No director may hold any elective position, be a
14 candidate for any elective position, be a State public
15 official, be employed by the Illinois Commerce Commission, or
16 be employed in a governmental position exempt from the
17 Illinois Personnel Code.

18 (h) No director, nor member of his or her immediate family
19 shall, either directly or indirectly, be employed for
20 compensation as a staff member or consultant of the Fund.

21 (i) The Board shall hold regular meetings at least once
22 every 3 months on such dates and at such places as it may
23 determine. Meetings may be held by teleconference or
24 videoconference. Special meetings may be called by the
25 president or by a majority of the directors upon at least 7
26 days' advance written notice. The act of the majority of the

1 directors, present at a meeting at which a quorum is present,
2 shall be the act of the Board of Directors unless the act of a
3 greater number is required by this Act or bylaws. A summary of
4 the minutes of every Board meeting shall be made available to
5 each public library in the State upon request and to
6 individuals upon request. Board of Directors meeting minutes
7 shall be posted on the Fund's website within 14 days after
8 Board approval of the minutes.

9 (j) A director may not receive any compensation for his or
10 her services but shall be reimbursed for necessary expenses,
11 including travel expenses incurred in the discharge of duties.
12 The Board shall establish standard allowances for mileage,
13 room and meals and the purposes for which such allowances may
14 be made and shall determine the reasonableness and necessity
15 for such reimbursements.

16 (k) In the event of a vacancy on the Board, the Board of
17 Directors shall appoint a temporary member, consistent with
18 the requirements of the Board composition, to serve the
19 remainder of the term for the vacant seat.

20 (l) The Board shall adopt rules for its own management and
21 government, including bylaws and a conflict of interest
22 policy.

23 (m) The Board of Directors of the Fund shall adopt written
24 procedures for:

25 (1) adopting an annual budget and plan of operations,
26 including a requirement of Board approval before the

1 budget or plan may take effect;

2 (2) hiring, dismissing, promoting, and compensating
3 employees of the Fund, including an affirmative action
4 policy and a requirement of Board approval before a
5 position may be created or a vacancy filled;

6 (3) acquiring real and personal property and personal
7 services, including a requirement of Board approval for
8 any non-budgeted expenditure in excess of \$5,000;

9 (4) contracting for financial, legal, bond
10 underwriting and other professional services, including
11 requirements that the Fund (i) solicit proposals at least
12 once every 3 years for each such service that it uses, and
13 (ii) ensure equitable contracting with diverse suppliers;

14 (5) issuing and retiring bonds, bond anticipation
15 notes, and other obligations of the Fund; and

16 (6) awarding loans, grants and other financial
17 assistance, including (i) eligibility criteria, the
18 application process and the role played by the Fund's
19 staff and Board of Directors, and (ii) ensuring racial
20 equity in the awarding of loans, grants, and other
21 financial assistance.

22 (n) The Board shall develop a robust set of metrics to
23 measure the degree to which the program is meeting the
24 purposes set forth in Section 20-5 of this Act, and especially
25 measuring adherence to the racial equity purposes set forth
26 there, and a reporting format and schedule to be adhered to by

1 the Fund officers and staff. These metrics and reports shall
2 be posted quarterly on the Fund's website.

3 (o) The Board of Directors has the responsibility to make
4 program adjustments necessary to ensure that the Clean Energy
5 Jobs and Justice Fund is meeting the purposes set forth in this
6 Act. Fund officers and staff and the Board of Directors are
7 responsible for ensuring capital providers and Fund officers
8 and staff, partners, and financial institutions are held to
9 state and federal standards for ethics and predatory lending
10 practices and shall immediately remove any offending products
11 and sponsoring organizations from Fund participation.

12 (p) The Board shall issue annually a report reviewing the
13 activities of the Fund in detail and shall provide a copy of
14 such report to the joint standing committees of the General
15 Assembly having cognizance of matters relating to energy and
16 commerce. The report shall be published on the Fund's website
17 within 3 days after its submission to the General Assembly.

18 Section 20-25. Powers and duties.

19 (a) The Fund shall endeavor to perform the following
20 actions, but is not limited to these specified actions:

21 (1) Develop programs to finance and otherwise support
22 clean energy investment and projects as determined by the
23 Fund in keeping with the purposes of this Act.

24 (2) Support financing or other expenditures that
25 promote investment in clean energy sources in order to (i)

1 foster the development and commercialization of clean
2 energy projects, including projects serving low-income,
3 environmental justice, and BIPOC communities, and (ii)
4 support project development by MBE and other contractors
5 of color.

6 (3) Prioritize the provision of public and private
7 capital for clean energy investment to MBEs and other
8 contractors of color, and to clean energy investment in
9 low-income, environmental justice, and BIPOC communities.

10 (4) Provide access to grants, no-cost, and low-cost
11 loans to MBEs and other contractors of color, including
12 those participating in the Clean Energy Primes Contractor
13 Accelerator Program.

14 (5) Provide financial assistance in the form of
15 grants, loans, loan guarantees or debt and equity
16 investments, as approved in accordance with written
17 procedures.

18 (6) Assume or take title to any real property, convey
19 or dispose of its assets and pledge its revenues to secure
20 any borrowing, convey or dispose of its assets and pledge
21 its revenues to secure any borrowing, for the purpose of
22 developing, acquiring, constructing, refinancing,
23 rehabilitating or improving its assets or supporting its
24 programs, provided each such borrowing or mortgage, unless
25 otherwise provided by the Board or the Fund, shall be a
26 special obligation of the Fund, which obligation may be in

1 the form of bonds, bond anticipation notes, or other
2 obligations that evidence an indebtedness to the extent
3 permitted under this Act to fund, refinance and refund the
4 same and provide for the rights of holders thereof, and to
5 secure the same by pledge of revenues, notes and mortgages
6 of others, and which shall be payable solely from the
7 assets, revenues and other resources of the Fund and such
8 bonds may be secured by a special capital reserve fund
9 contributed to by the State.

10 (7) Contract with community-based organizations to
11 design and implement program marketing, communications,
12 and outreach to potential users of the Fund's products,
13 particularly potential users in low-income, environmental
14 justice, and BIPOC communities. These contracts shall
15 include funding to ensure that the contracted
16 community-based organizations provide materials and
17 outreach support, including payments for time and
18 expenses, to other community organizations, professional
19 organizations, and subcontractors that have an interest in
20 the Fund's financial products.

21 (8) Collect the following data and perform monthly and
22 quarterly reporting to the Board in accordance with the
23 reporting format and schedule developed by the Board of
24 Directors:

25 (A) baseline data on capital sources or providers,
26 loan recipients, projects funded, loan terms, and

1 other relevant financial data;

2 (B) diversity and equity data, including race,
3 gender, socioeconomic, and geographic region; and

4 (C) program administration and servicing data.

5 These reports shall be published to the Fund's website
6 monthly and quarterly. Reports published to the
7 website may be anonymized to protect the data of
8 individual program participants.

9 (9) Have the purposes as provided by resolution of the
10 Fund's Board of Directors, which purposes shall be
11 consistent with this Section and Section 20-5 of this Act.
12 No further action is required for the establishment of the
13 Fund, except the adoption of a resolution for the Fund.

14 (b) In addition to, and not in limitation of, any other
15 power of the Fund set forth in this Section or any other
16 provision of the general statutes, the Fund shall have and may
17 exercise the following powers in furtherance of or in carrying
18 out its purposes:

19 (1) have perpetual succession as a body corporate and
20 to adopt bylaws, policies, and procedures for the
21 regulation of its affairs and the conduct of its business;

22 (2) make and enter into all contracts and agreements
23 that are necessary or incidental to the conduct of its
24 business;

25 (3) invest in, acquire, lease, purchase, own, manage,
26 hold, sell, and dispose of real or personal property or

1 any interest therein;

2 (4) borrow money or guarantee a return to investors or
3 lenders;

4 (5) hold patents, copyrights, trademarks, marketing
5 rights, licenses, or other rights in intellectual
6 property;

7 (6) employ such assistants, agents, and employees as
8 may be necessary or desirable; establish all necessary or
9 appropriate personnel practices and policies, including
10 those relating to hiring, promotion, compensation and
11 retirement, and engage consultants, attorneys, financial
12 advisers, appraisers, and other professional advisers as
13 may be necessary or desirable;

14 (7) invest any funds not needed for immediate use or
15 disbursement pursuant to investment policies adopted by
16 the Fund's Board of Directors;

17 (8) procure insurance against any loss or liability
18 with respect to its property or business of such types, in
19 such amounts and from such insurers as it deems desirable;

20 (9) enter into joint ventures and invest in, and
21 participate with any person, including, without
22 limitation, government entities and private corporations,
23 in the formation, ownership, management and operation of
24 business entities, including stock and nonstock
25 corporations, limited liability companies and general or
26 limited partnerships, formed to advance the purposes of

1 the Fund, provided members of the Board of Directors or
2 officers or employees of the Fund may serve as directors,
3 members or officers of any such business entity, and such
4 service shall be deemed to be in the discharge of the
5 duties or within the scope of the employment of any such
6 director, officer or employee, as the case may be, so long
7 as such director, officer or employee does not receive any
8 compensation or financial benefit as a result of serving
9 in such role; and

10 (10) all other acts necessary or convenient to carry
11 out the purposes of this Act.

12 (c) Before making any loan, loan guarantee, or such other
13 form of financing support or risk management for a clean
14 energy project, the Fund shall develop standards to govern the
15 administration of the Fund through rules, policies, and
16 procedures that specify borrower eligibility, terms, and
17 conditions of support, and other relevant criteria, standards,
18 or procedures.

19 (d) Funding sources specifically authorized include, but
20 are not limited to:

21 (1) funds repurposed from existing programs providing
22 financing support for clean energy projects, provided any
23 transfer of funds from such existing programs shall be
24 subject to approval by the General Assembly and shall be
25 used for expenses of financing, grants, and loans;

26 (2) any federal funds that can be used for the

1 purposes specified in this Act;

2 (3) charitable gifts, grants, contributions, as well
3 as loans from individuals, corporations, university
4 endowment funds, and philanthropic foundations; and

5 (4) earnings and interest derived from financing
6 support activities for clean energy projects backed by the
7 Fund.

8 (e) The Fund may enter into agreements with private
9 sources to raise capital.

10 (f) The Fund may assess reasonable fees on its financing
11 activities to cover its reasonable costs and expenses, as
12 determined by the Board.

13 (g) The Fund shall make information regarding the rates,
14 terms and conditions for all of its financing support
15 transactions available to the public for inspection, including
16 formal annual reviews by both a private auditor conducted
17 pursuant this Section and the Comptroller, and provide details
18 to the public on the Internet, provided public disclosure
19 shall be restricted for patentable ideas, trade secrets,
20 proprietary or confidential commercial or financial
21 information, disclosure of which may cause commercial harm to
22 a nongovernmental recipient of such financing support and for
23 other information exempt from public records disclosure.

24 (h) The powers enumerated in this Section shall be
25 interpreted broadly to effectuate the purposes established in
26 this Section and shall not be construed as a limitation of

1 powers.

2 Section 20-30. Primary responsibilities in early program
3 development.

4 (a) Consistent with the goals of this Act, the Fund has the
5 authority to pursue a broad range of financial products and
6 services. In early development of products and services
7 offered, the Fund should consider the following programs as
8 its initial set of investment initiatives:

9 (1) a solar lease, power-purchase agreement, or
10 loan-to-own product specifically designed to complement
11 and grow the Illinois Solar for All Program;

12 (2) direct capitalization of contractors of color
13 participating in or graduating from the workforce and
14 business development programs established in the Energy
15 Transition Act;

16 (3) providing direct capitalization of community-based
17 projects in environmental justice communities through
18 upfront grants. Project applications should provide a
19 community benefit, align with environmental justice
20 communities, be in support of this Act's contractor and
21 workforce development goals, and support upfront planning,
22 development, and start up costs that often are not covered
23 prior to applying for program incentives and other loan
24 products;

25 (4) providing loan loss reserve products to secure

1 stable and low-interest financing for individual projects
2 and portfolios consistent with the goals of this Act that
3 would be otherwise unable to receive financing; and

4 (5) offering financing and administrative services for
5 municipal utilities and rural electric cooperatives to
6 create their own version of the on-bill Equitable Energy
7 Upgrade Program such as the Pay As You Save program
8 developed by the Energy Efficiency Institute.

9 Section 20-35. Executive director and fund management.

10 (a) The executive director hired by the Board shall have
11 the same qualifications as a director pursuant to subsections
12 (d), (g), and (h) of Section 20-20 of this Act. The executive
13 director may not be a candidate for the Board of Directors
14 while serving as executive director. The executive director
15 must have 5 or more years of experience in equitable and
16 inclusive financing serving racially and socioeconomically
17 diverse communities.

18 (b) To hire the executive director, the Board shall adhere
19 to any applicable State or federal law prohibiting
20 discrimination in employment.

21 (c) The Board shall require all applicants for the
22 position of executive director of the Fund to file a financial
23 statement consistent with requirements established by the
24 Board. The Board shall require the executive director to file
25 a current statement annually.

1 (d) The Fund shall be administered by the executive
2 director and the staff and overseen by the Board of Directors.
3 Fund officers and staff shall receive training in how to best
4 provide services and support to low-income, environmental
5 justice, and BIPOC communities and on supporting borrowers
6 with loan applications, loan underwriting, and loan services.

7 Section 20-40. Dissolution. The Fund may dissolve or be
8 dissolved under the General Not for Profit Corporation Act.

9 Section 20-90. Repealer. This Act is repealed 24 years
10 after the effective date of this Act.

11 Article 90.

12 Section 90-1. Legislative findings. The General Assembly
13 finds and declares:

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

22 (2) For many years, a significant portion of the

1 electricity consumed by consumers and businesses in this
2 State, particularly in the downstate region, has been
3 produced by large coal-fueled electric generating stations
4 located in the downstate region. However, in recent years,
5 the prices for electric generating capacity and energy
6 available to coal-fueled electric generating stations
7 located in the downstate region of this State have been
8 insufficient to enable many electric generating facilities
9 located within the downstate region to remain in
10 operation, and have placed other electric generating
11 stations at risk of closure. Changes in environmental
12 regulations and, significantly, increasing concerns about
13 the effects of carbon emissions on the climate, have also
14 contributed to the retirement of coal-fueled generating
15 stations in the downstate region. As a result, the vast
16 majority of the coal-fueled generation located in
17 Illinois, and particularly in the downstate region, has
18 recently been retired or will be retired by no later than
19 the end of 2027.

20 (3) Reliable electric service at all times is
21 essential to the functioning of a modern economy and of
22 society in general. The health, welfare, and prosperity of
23 Illinois citizens, including the attractiveness of the
24 State of Illinois to business and industry, requires the
25 availability of sufficient electric generating capacity,
26 including energy storage capacity, to meet the demands of

1 consumers and businesses in this State at all times.
2 However, to a significant extent, electricity, when
3 generated, cannot be stored for future use in any
4 significant amount relative to the total amount of
5 electricity that existing generating facilities can
6 produce. Rather, for the most part, electricity must be
7 produced instantaneously at the time and in the amount
8 that it is demanded by residential and business consumers.
9 The development of energy storage facilities provides some
10 opportunity to store some amounts of electricity for use
11 at later times; but energy storage facilities with
12 sufficient capacity to deliver electricity to meet the
13 demands of consumers in this State, 24 hours per day, 7
14 days per week on every day of the year, have not yet been
15 built.

16 (4) Both the Midcontinent Independent System Operator,
17 Inc., which is the independent transmission system
18 operator for downstate Illinois, and its Independent
19 Market Monitor, have expressed concerns about the
20 sufficiency of electric generating resources in downstate
21 Illinois over the next several years, due primarily to the
22 announced and anticipated retirements of coal-fueled
23 electric generating facilities and concerns about how
24 quickly and extensively new wind and solar generating
25 facilities will be placed into service. Concerns have also
26 been expressed, based on the intermittent nature of wind

1 and solar generating facilities, as to whether the grid
2 can operate reliably without sufficient dispatchable
3 generation resources or significant additions of energy
4 storage facilities to balance the output of renewable
5 generating facilities. The General Assembly believes that
6 the State cannot afford to find itself in a situation of
7 insufficient electric generating resources to meet the
8 needs of Illinois residential and business consumers 24
9 hours a day, 7 days a week. Thus, consistent with the
10 overall objectives of the regulation of the electric
11 utility industry in this State and the interests of the
12 State in protecting the health and welfare of its
13 residents, regulation should ensure that sufficient
14 generating resources, including energy storage resources,
15 are available to enable the electric utility grid to meet
16 the demands of Illinois electricity consumers at all
17 times.

18 (5) Through previous enactments beginning in 2007, the
19 General Assembly has provided financial incentives for the
20 construction and operation of wind, solar, and other types
21 of renewable energy facilities to serve load in Illinois.
22 In such enactments, the General Assembly has recognized
23 that providing opportunities to enter into long-term
24 contracts for the purchase of renewable energy credits
25 from renewable energy facilities creates incentives, and
26 in fact is necessary, for the construction and operation

1 of such resources. Developers typically cannot,
2 financially, develop new, large-scale renewable energy
3 generating resources without having secured long-term
4 contracts for the renewable energy credits that the new
5 facilities will produce.

6 (6) The permitting and siting of new wind and solar
7 generating facilities in Illinois are subject to local
8 governmental control, and in many areas of this State,
9 there has been strong opposition to the siting and
10 construction of new utility-scale wind and solar
11 generating facilities, which in turn has resulted in the
12 denial of, or withdrawal of requests for, necessary
13 approvals for some projects and the enactment of local
14 zoning ordinances imposing requirements and restrictions
15 that increase the costs and reduce the economic
16 attractiveness of such projects. This has resulted in
17 delay or cancellation of a number of renewable energy
18 projects. This experience demonstrates the advantages of
19 targeting the installation of new utility-scale renewable
20 energy facilities at sites that are already suitable for
21 installation of such facilities and can be readily
22 permitted.

23 (7) In light of the intermittent nature of many types
24 of renewable energy facilities, such as wind and solar
25 generation, the installation and operation of electricity
26 storage facilities in conjunction with the installation

1 and operation of renewable generation facilities can
2 enhance the value of renewable energy resources to the
3 electric grid.

4 (8) The sites of many of the large coal-fueled
5 electric generating stations located in the downstate
6 region of this State that have recently been retired or
7 announced for retirement, or are at risk of retirement,
8 have existing infrastructure and other characteristics
9 which make them suitable potential sites for development
10 of new renewable energy generating facilities and
11 electricity storage facilities. This infrastructure and
12 other characteristics include large amounts of available
13 land situated at a suitable distance from populated areas,
14 suitable levels of exposure to sunlight, and high voltage
15 interconnections to nearby bulk electric system
16 transmission grid facilities at strategic locations.
17 Development of these generating plant sites for
18 large-scale renewable energy generating facilities,
19 particularly photovoltaic facilities which require large
20 amounts of space, and electricity storage facilities, can
21 help advance this State's objective of increasing the
22 portion of the State's total electricity usage that is
23 supplied by zero emission resources, and reducing the
24 proportion of the electricity produced in this State that
25 is produced by carbon-emitting resources, while supporting
26 the reliability of electric service in the downstate

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

7 (9) Many, if not all, of the coal-fueled electric
8 generating plants in this State that have recently been
9 retired or announced for retirement, or are at near-term
10 risk of retirement, were at one time owned, at whole or in
11 part, by a public utility as defined in Section 3-105 of
12 the Public Utilities Act and were thereby devoted to
13 public service and the public use in Illinois, with their
14 costs paid for by rates paid by public utility ratepayers
15 in Illinois. The General Assembly finds that it is
16 appropriate to provide incentives to the owners of the
17 sites of coal-fueled electric generating facilities in
18 this State that were once owned by public utilities, to
19 repurpose those sites in a manner that continues to
20 benefit the public by providing for the generation of
21 carbon-free, non-emitting electricity and reliable bulk
22 electric service.

23 (10) The General Assembly finds it is appropriate for
24 the State of Illinois to establish a program to provide
25 incentives for the installation and operation of new
26 renewable energy facilities, along with energy storage

1 facilities, at the sites of retired and at-risk
2 coal-fueled electric generating facilities in this State,
3 to help expedite the transition of this State's electric
4 generation fleet to lower-emitting resources while
5 ensuring the availability of sufficient electric energy
6 resources to meet the demands of residential and business
7 electricity consumers in this State.

8 (11) In light of the foregoing findings, the purpose
9 of the program established in subsection (c-5) of Section
10 1-75 of the Illinois Power Agency Act is to incentivize
11 and support conversion and development of unused (or to be
12 unused) sites of recently retired and soon to-be-retired
13 coal-fueled power plants in this State to productive new
14 uses as sites for the generation and provision of
15 electricity from renewable energy facilities and energy
16 storage facilities, thereby contributing to the State's
17 efforts to reduce carbon emissions from facilities in this
18 State and increase the production of the State's
19 electricity needs from clean energy resources. The
20 provisions of this Act also will support the reliability
21 of the bulk power grid in this State by incentivizing and
22 supporting installation of new generating facilities and
23 energy storage facilities at locations on the grid where
24 synchronous generation was formerly located.

25 Section 90-3. The Illinois Administrative Procedure Act is

1 amended by adding 5-45.9 as follows:

2 (5 ILCS 100/5-45.9 new)

3 Sec. 5-45.9. Emergency rulemaking; Multi-Year Integrated
4 Grid Plans. To provide for the expeditious and timely
5 implementation of Section 16-105.17 of the Public Utilities
6 Act, emergency rules implementing Section 16-105.17 of the
7 Public Utilities Act may be adopted in accordance with Section
8 5-45 by the Illinois Commerce Commission. The adoption of
9 emergency rules authorized by Section 5-45 and this Section is
10 deemed to be necessary for the public interest, safety, and
11 welfare.

12 This Section is repealed one year after the effective date
13 of this amendatory Act of the 102nd General Assembly.

14 Section 90-5. The Illinois Governmental Ethics Act is
15 amended by adding Section 1-121 and by changing Sections
16 4A-102 and 4A-103 as follows:

17 (5 ILCS 420/1-121 new)

18 Sec. 1-121. Public utility. "Public utility" has the
19 meaning provided in Section 3-105 of the Public Utilities Act.

20 (5 ILCS 420/4A-102) (from Ch. 127, par. 604A-102)

21 Sec. 4A-102. The statement of economic interests required
22 by this Article shall include the economic interests of the

1 person making the statement as provided in this Section. The
2 interest (if constructively controlled by the person making
3 the statement) of a spouse or any other party, shall be
4 considered to be the same as the interest of the person making
5 the statement. Campaign receipts shall not be included in this
6 statement.

7 (a) The following interests shall be listed by all
8 persons required to file:

9 (1) The name, address and type of practice of any
10 professional organization or individual professional
11 practice in which the person making the statement was
12 an officer, director, associate, partner or
13 proprietor, or served in any advisory capacity, from
14 which income in excess of \$1200 was derived during the
15 preceding calendar year;

16 (2) The nature of professional services (other
17 than services rendered to the unit or units of
18 government in relation to which the person is required
19 to file) and the nature of the entity to which they
20 were rendered if fees exceeding \$5,000 were received
21 during the preceding calendar year from the entity for
22 professional services rendered by the person making
23 the statement.

24 (3) The identity (including the address or legal
25 description of real estate) of any capital asset from
26 which a capital gain of \$5,000 or more was realized in

1 the preceding calendar year.

2 (4) The name of any unit of government which has
3 employed the person making the statement during the
4 preceding calendar year other than the unit or units
5 of government in relation to which the person is
6 required to file.

7 (5) The name of any entity from which a gift or
8 gifts, or honorarium or honoraria, valued singly or in
9 the aggregate in excess of \$500, was received during
10 the preceding calendar year.

11 (b) The following interests shall also be listed by
12 persons listed in items (a) through (f), item (l), item
13 (n), and item (p) of Section 4A-101:

14 (1) The name and instrument of ownership in any
15 entity doing business in the State of Illinois, in
16 which an ownership interest held by the person at the
17 date of filing is in excess of \$5,000 fair market value
18 or from which dividends of in excess of \$1,200 were
19 derived during the preceding calendar year. (In the
20 case of real estate, location thereof shall be listed
21 by street address, or if none, then by legal
22 description). No time or demand deposit in a financial
23 institution, nor any debt instrument need be listed;

24 (2) Except for professional service entities, the
25 name of any entity and any position held therein from
26 which income of in excess of \$1,200 was derived during

1 the preceding calendar year, if the entity does
2 business in the State of Illinois. No time or demand
3 deposit in a financial institution, nor any debt
4 instrument need be listed.

5 (3) The identity of any compensated lobbyist with
6 whom the person making the statement maintains a close
7 economic association, including the name of the
8 lobbyist and specifying the legislative matter or
9 matters which are the object of the lobbying activity,
10 and describing the general type of economic activity
11 of the client or principal on whose behalf that person
12 is lobbying.

13 (c) The following interests shall also be listed by
14 persons listed in items (a) through (c) and item (e) of
15 Section 4A-101.5:

16 (1) The name and instrument of ownership in any
17 entity doing business with a unit of local government
18 in relation to which the person is required to file if
19 the ownership interest of the person filing is greater
20 than \$5,000 fair market value as of the date of filing
21 or if dividends in excess of \$1,200 were received from
22 the entity during the preceding calendar year. (In the
23 case of real estate, location thereof shall be listed
24 by street address, or if none, then by legal
25 description). No time or demand deposit in a financial
26 institution, nor any debt instrument need be listed.

1 (2) Except for professional service entities, the
2 name of any entity and any position held therein from
3 which income in excess of \$1,200 was derived during
4 the preceding calendar year if the entity does
5 business with a unit of local government in relation
6 to which the person is required to file. No time or
7 demand deposit in a financial institution, nor any
8 debt instrument need be listed.

9 (3) The name of any entity and the nature of the
10 governmental action requested by any entity which has
11 applied to a unit of local government in relation to
12 which the person must file for any license, franchise
13 or permit for annexation, zoning or rezoning of real
14 estate during the preceding calendar year if the
15 ownership interest of the person filing is in excess
16 of \$5,000 fair market value at the time of filing or if
17 income or dividends in excess of \$1,200 were received
18 by the person filing from the entity during the
19 preceding calendar year.

20 (d) The following interest shall also be listed by
21 persons listed in items (a) through (f) of Section 4A-101:
22 the name of any spouse or immediate family member living
23 with such person employed by a public utility in this
24 State and the name of the public utility that employs such
25 person.

26 For the purposes of this Section, the unit of local

1 government in relation to which a person is required to file
2 under item (e) of Section 4A-101.5 shall be the unit of local
3 government that contributes to the pension fund of which such
4 person is a member of the board.

5 (Source: P.A. 101-221, eff. 8-9-19.)

6 (5 ILCS 420/4A-103) (from Ch. 127, par. 604A-103)

7 Sec. 4A-103. The statement of economic interests required
8 by this Article to be filed with the Secretary of State or
9 county clerk shall be ~~filled in by typewriting or hand~~
10 ~~printing, shall be~~ verified, dated, and signed by the person
11 making the statement and shall contain substantially the
12 following:

13 STATEMENT OF ECONOMIC INTERESTS

14 INSTRUCTIONS:

15 You may find the following documents helpful to you in
16 completing this form:

17 (1) federal income tax returns, including any related
18 schedules, attachments, and forms; and

19 (2) investment and brokerage statements.

20 To complete this form, you do not need to disclose
21 specific amounts or values or report interests relating either
22 to political committees registered with the Illinois State
23 Board of Elections or to political committees, principal

1 campaign committees, or authorized committees registered with
2 the Federal Election Commission.

3 The information you disclose will be available to the
4 public.

5 You must answer all 6 questions. Certain questions will
6 ask you to report any applicable assets or debts held in, or
7 payable to, your name; held jointly by, or payable to, you with
8 your spouse; or held jointly by, or payable to, you with your
9 minor child. If you have any concerns about whether an
10 interest should be reported, please consult your department's
11 ethics officer, if applicable.

12 Please ensure that the information you provide is complete
13 and accurate. If you need more space than the form allows,
14 please attach additional pages for your response. If you are
15 subject to the State Officials and Employees Ethics Act, your
16 ethics officer must review your statement of economic
17 interests before you file it. Failure to complete the
18 statement in good faith and within the prescribed deadline may
19 subject you to fines, imprisonment, or both.

20 BASIC INFORMATION:

21 Name:.....

22 Job title:

23 Office, department, or agency that requires you to file this
24 form:.....

25 Other offices, departments, or agencies that require you to

1 file a Statement of Economic Interests form:
 2 Full mailing address:.....
 3 Preferred e-mail address (optional):

4 QUESTIONS:

5 1. If you have any single asset that was worth more than
 6 \$10,000 as of the end of the preceding calendar year and is
 7 held in, or payable to, your name, held jointly by, or payable
 8 to, you with your spouse, or held jointly by, or payable to,
 9 you with your minor child, list such assets below. In the case
 10 of investment real estate, list the city and state where the
 11 investment real estate is located. If you do not have any such
 12 assets, list "none" below.

13
 14
 15
 16
 17

18 2. Excluding the position for which you are required to
 19 file this form, list the source of any income in excess of
 20 \$7,500 required to be reported during the preceding calendar
 21 year. If you sold an asset that produced more than \$7,500 in
 22 capital gains in the preceding calendar year, list the name of
 23 the asset and the transaction date on which the sale or
 24 transfer took place. If you had no such sources of income or
 25 assets, list "none" below.

1	<u>Source of Income / Name of</u>	<u>Date Sold (if applicable)</u>
2	<u>Asset</u>	

3	<u>.....</u>	<u>.....</u>
4	<u>.....</u>	<u>.....</u>
5	<u>.....</u>	<u>.....</u>

6 3. Excluding debts incurred on terms available to the
7 general public, such as mortgages, student loans, and credit
8 card debts, if you owed any single debt in the preceding
9 calendar year exceeding \$10,000, list the creditor of the debt
10 below. If you had no such debts, list "none" below.

11 List the creditor for all applicable debts owed by you,
12 owed jointly by you with your spouse, or owed jointly by you
13 with your minor child. In addition to the types of debts listed
14 above, you do not need to report any debts to or from financial
15 institutions or government agencies, such as debts secured by
16 automobiles, household furniture or appliances, as long as the
17 debt was made on terms available to the general public, debts
18 to members of your family, or debts to or from a political
19 committee registered with the Illinois State Board of
20 Elections or any political committee, principal campaign
21 committee, or authorized committee registered with the Federal
22 Election Commission.

23	<u>.....</u>	<u>.....</u>
24	<u>.....</u>	<u>.....</u>
25	<u>.....</u>	<u>.....</u>

1
2

3 4. List the name of each unit of government of which you or
4 your spouse were an employee, contractor, or office holder
5 during the preceding calendar year other than the unit or
6 units of government in relation to which the person is
7 required to file and the title of the position or nature of the
8 contractual services.

<u>Name of Unit of Government</u>	<u>Title or Nature of Services</u>
9 10
11 12

13 5. If you maintain an economic relationship with a
14 lobbyist or if a member of your family is known to you to be a
15 lobbyist registered with any unit of government in the State
16 of Illinois, list the name of the lobbyist below and identify
17 the nature of your relationship with the lobbyist. If you do
18 not have an economic relationship with a lobbyist or a family
19 member known to you to be a lobbyist registered with any unit
20 of government in the State of Illinois, list "none" below.

<u>Name of Lobbyist</u>	<u>Relationship to Filer</u>
21 22
23 24

24 6. List the name of each person, organization, or entity

1 that was the source of a gift or gifts, or honorarium or
 2 honoraria, valued singly or in the aggregate in excess of \$500
 3 received during the preceding calendar year and the type of
 4 gift or gifts, or honorarium or honoraria, excluding any gift
 5 or gifts from a member of your family that was not known to be
 6 a lobbyist registered with any unit of government in the State
 7 of Illinois. If you had no such gifts, list "none" below.

8
 9
 10

11 7. List the name of any spouse or immediate family member
 12 living with the person making this statement employed by a
 13 public utility in this State and the name of the public utility
 14 that employs the relative.

<u>Name and Relation</u>	<u>Public Utility</u>
.....
.....
.....

19 VERIFICATION:

20 "I declare that this statement of economic interests
 21 (including any attachments) has been examined by me and to the
 22 best of my knowledge and belief is a true, correct and complete
 23 statement of my economic interests as required by the Illinois
 24 Governmental Ethics Act. I understand that the penalty for
 25 willfully filing a false or incomplete statement is a fine not

1 to exceed \$2,500 or imprisonment in a penal institution other
2 than the penitentiary not to exceed one year, or both fine and
3 imprisonment."

4 Printed Name of Filer:

5 Date:.....

6 Signature:

7 If this statement of economic interests requires ethics
8 officer review prior to filing, the applicable ethics officer
9 must complete the following:

10 CERTIFICATION OF ETHICS OFFICER REVIEW:

11 "In accordance with law, as Ethics Officer, I reviewed
12 this statement of economic interests prior to its filing."

13 Printed Name of Ethics Officer:

14 Date:.....

15 Signature:

16 Preferred e-mail address (optional):

17 ~~STATEMENT OF ECONOMIC INTEREST~~

18 ~~(TYPE OR HAND PRINT)~~

19 ~~.....~~

20 ~~(name)~~

21 ~~.....~~

22 ~~(each office or position of employment for which this~~
23 ~~statement is filed)~~

1
2

3 ~~(full mailing address)~~

4 ~~GENERAL DIRECTIONS:~~

5 ~~The interest (if constructively controlled by the person~~
6 ~~making the statement) of a spouse or any other party, shall be~~
7 ~~considered to be the same as the interest of the person making~~
8 ~~the statement.~~

9 ~~Campaign receipts shall not be included in this statement.~~

10 ~~If additional space is needed, please attach supplemental~~
11 ~~listing.~~

12 ~~1. List the name and instrument of ownership in any entity~~
13 ~~doing business in the State of Illinois, in which the~~
14 ~~ownership interest held by the person at the date of filing is~~
15 ~~in excess of \$5,000 fair market value or from which dividends~~
16 ~~in excess of \$1,200 were derived during the preceding calendar~~
17 ~~year. (In the case of real estate, location thereof shall be~~
18 ~~listed by street address, or if none, then by legal~~
19 ~~description.) No time or demand deposit in a financial~~
20 ~~institution, nor any debt instrument need be listed.~~

21 ~~Business Entity~~

22 ~~Instrument of Ownership~~

23
24

25
26

27
28

29
30

31 ~~2. List the name, address and type of practice of any~~
32 ~~professional organization in which the person making the~~

1 ~~statement was an officer, director, associate, partner or~~
 2 ~~proprietor or served in any advisory capacity, from which~~
 3 ~~income in excess of \$1,200 was derived during the preceding~~
 4 ~~calendar year.~~

Name	Address	Type of Practice
.....
.....
.....

9 ~~3. List the nature of professional services rendered~~
 10 ~~(other than to the State of Illinois) to each entity from which~~
 11 ~~income exceeding \$5,000 was received for professional services~~
 12 ~~rendered during the preceding calendar year by the person~~
 13 ~~making the statement.~~

14

15

16 ~~4. List the identity (including the address or legal~~
 17 ~~description of real estate) of any capital asset from which a~~
 18 ~~capital gain of \$5,000 or more was realized during the~~
 19 ~~preceding calendar year.~~

20

21

22 ~~5. List the identity of any compensated lobbyist with whom~~
 23 ~~the person making the statement maintains a close economic~~
 24 ~~association, including the name of the lobbyist and specifying~~
 25 ~~the legislative matter or matters which are the object of the~~
 26 ~~lobbying activity, and describing the general type of economic~~

1 ~~activity of the client or principal on whose behalf that~~
2 ~~person is lobbying.~~

3	Lobbyist	Legislative Matter	Client or Principal
4	.....	.....	.....
5	.....	.....	.....

6 ~~6. List the name of any entity doing business in the State~~
7 ~~of Illinois from which income in excess of \$1,200 was derived~~
8 ~~during the preceding calendar year other than for professional~~
9 ~~services and the title or description of any position held in~~
10 ~~that entity. (In the case of real estate, location thereof~~
11 ~~shall be listed by street address, or if none, then by legal~~
12 ~~description). No time or demand deposit in a financial~~
13 ~~institution nor any debt instrument need be listed.~~

14	Entity	Position Held
15	.....	.....
16	.....	.....
17	.....	.....

18 ~~7. List the name of any unit of government which employed~~
19 ~~the person making the statement during the preceding calendar~~
20 ~~year other than the unit or units of government in relation to~~
21 ~~which the person is required to file.~~

22 ~~.....~~
23 ~~.....~~

24 ~~8. List the name of any entity from which a gift or gifts,~~
25 ~~or honorarium or honoraria, valued singly or in the aggregate~~
26 ~~in excess of \$500, was received during the preceding calendar~~

1 ~~year.~~

2 ~~.....~~

3 ~~VERIFICATION:~~

4 ~~"I declare that this statement of economic interests~~
5 ~~(including any accompanying schedules and statements) has been~~
6 ~~examined by me and to the best of my knowledge and belief is a~~
7 ~~true, correct and complete statement of my economic interests~~
8 ~~as required by the Illinois Governmental Ethics Act. I~~
9 ~~understand that the penalty for willfully filing a false or~~
10 ~~incomplete statement shall be a fine not to exceed \$1,000 or~~
11 ~~imprisonment in a penal institution other than the~~
12 ~~penitentiary not to exceed one year, or both fine and~~
13 ~~imprisonment."~~

14 ~~.....~~ ~~.....~~

15 ~~(date of filing)~~ ~~(signature of person making the statement)~~

16 (Source: P.A. 95-173, eff. 1-1-08.)

17 Section 90-10. The State Officials and Employees Ethics
18 Act is amended by changing Section 5-50 as follows:

19 (5 ILCS 430/5-50)

20 Sec. 5-50. Ex parte communications; special government
21 agents.

22 (a) This Section applies to ex parte communications made
23 to any agency listed in subsection (e).

24 (b) "Ex parte communication" means any written or oral

1 communication by any person that imparts or requests material
2 information or makes a material argument regarding potential
3 action concerning regulatory, quasi-adjudicatory, investment,
4 or licensing matters pending before or under consideration by
5 the agency. "Ex parte communication" does not include the
6 following: (i) statements by a person publicly made in a
7 public forum; (ii) statements regarding matters of procedure
8 and practice, such as format, the number of copies required,
9 the manner of filing, and the status of a matter; and (iii)
10 statements made by a State employee of the agency to the agency
11 head or other employees of that agency.

12 (b-5) An ex parte communication received by an agency,
13 agency head, or other agency employee from an interested party
14 or his or her official representative or attorney shall
15 promptly be memorialized and made a part of the record.

16 (c) An ex parte communication received by any agency,
17 agency head, or other agency employee, other than an ex parte
18 communication described in subsection (b-5), shall immediately
19 be reported to that agency's ethics officer by the recipient
20 of the communication and by any other employee of that agency
21 who responds to the communication. The ethics officer shall
22 require that the ex parte communication be promptly made a
23 part of the record. The ethics officer shall promptly file the
24 ex parte communication with the Executive Ethics Commission,
25 including all written communications, all written responses to
26 the communications, and a memorandum prepared by the ethics

1 officer stating the nature and substance of all oral
2 communications, the identity and job title of the person to
3 whom each communication was made, all responses made, the
4 identity and job title of the person making each response, the
5 identity of each person from whom the written or oral ex parte
6 communication was received, the individual or entity
7 represented by that person, any action the person requested or
8 recommended, and any other pertinent information. The
9 disclosure shall also contain the date of any ex parte
10 communication.

11 (d) "Interested party" means a person or entity whose
12 rights, privileges, or interests are the subject of or are
13 directly affected by a regulatory, quasi-adjudicatory,
14 investment, or licensing matter. For purposes of an ex parte
15 communication received by either the Illinois Commerce
16 Commission or the Illinois Power Agency, "interested party"
17 also includes: (1) an organization comprised of 2 or more
18 businesses, persons, nonprofit entities, or any combination
19 thereof, that are working in concert to advance public policy
20 advocated by the organization, or (2) any party selling
21 renewable energy resources procured by the Illinois Power
22 Agency pursuant to Section 16-111.5 of the Public Utilities
23 Act and Section 1-75 of the Illinois Power Agency Act.

24 (e) This Section applies to the following agencies:

25 Executive Ethics Commission

26 Illinois Commerce Commission

1 Illinois Power Agency
2 Educational Labor Relations Board
3 State Board of Elections
4 Illinois Gaming Board
5 Health Facilities and Services Review Board
6 Illinois Workers' Compensation Commission
7 Illinois Labor Relations Board
8 Illinois Liquor Control Commission
9 Pollution Control Board
10 Property Tax Appeal Board
11 Illinois Racing Board
12 Illinois Purchased Care Review Board
13 Department of State Police Merit Board
14 Motor Vehicle Review Board
15 Prisoner Review Board
16 Civil Service Commission
17 Personnel Review Board for the Treasurer
18 Merit Commission for the Secretary of State
19 Merit Commission for the Office of the Comptroller
20 Court of Claims
21 Board of Review of the Department of Employment Security
22 Department of Insurance
23 Department of Professional Regulation and licensing boards
24 under the Department
25 Department of Public Health and licensing boards under the
26 Department

1 Office of Banks and Real Estate and licensing boards under
2 the Office

3 State Employees Retirement System Board of Trustees

4 Judges Retirement System Board of Trustees

5 General Assembly Retirement System Board of Trustees

6 Illinois Board of Investment

7 State Universities Retirement System Board of Trustees

8 Teachers Retirement System Officers Board of Trustees

9 (f) Any person who fails to (i) report an ex parte
10 communication to an ethics officer, (ii) make information part
11 of the record, or (iii) make a filing with the Executive Ethics
12 Commission as required by this Section or as required by
13 Section 5-165 of the Illinois Administrative Procedure Act
14 violates this Act.

15 (Source: P.A. 95-331, eff. 8-21-07; 96-31, eff. 6-30-09.)

16 Section 90-15. The Department of Commerce and Economic
17 Opportunity Law of the Civil Administrative Code of Illinois
18 is amended by adding Section 605-1075 as follows:

19 (20 ILCS 605/605-1075 new)

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

21 (a) The General Assembly hereby declares that management
22 of several economic development programs requires a
23 consolidated funding source to improve resource efficiency.
24 The General Assembly specifically recognizes that properly

1 servicing communities and workers impacted by the energy
2 transition requires that the Department of Commerce and
3 Economic Opportunity have access to the resources required for
4 the execution of the programs for workforce and contractor
5 development, just transition investments and community
6 support, and the implementation and administration of energy
7 and justice efforts by the State.

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

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

21 (1) for costs related to the Clean Jobs Workforce
22 Network Program, up to \$21,000,000 annually prior to June
23 1, 2023 and \$24,333,333 annually thereafter;

24 (2) for costs related to the Clean Energy Contractor
25 Incubator Program, up to \$21,000,000 annually;

26 (3) for costs related to the Clean Energy Primes

1 Contractor Accelerator Program, up to \$9,000,000 annually;

2 (4) for costs related to the Barrier Reduction
3 Program, up to \$21,000,000 annually;

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

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

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

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

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

14 (10) for costs related to the Displaced Energy Worker
15 Dependent Scholarship, upon request by the Illinois
16 Student Assistance Commission, up to \$1,100,000 annually;

17 (11) up to \$10,000,000 annually shall be transferred
18 to the Public Utilities Fund for use by the Illinois
19 Commerce Commission for costs of administering the changes
20 made to the Public Utilities Act by this amendatory Act of
21 the 102nd General Assembly;

22 (12) up to \$4,000,000 annually shall be transferred to
23 the Illinois Power Agency Operations Fund for use by the
24 Illinois Power Agency;

25 (13) for costs related to the Clean Energy Jobs and
26 Justice Fund, up to \$1,000,000 annually; and

1 (14) starting as soon as delivery year 2026, and for
2 up to 10 years from the first delivery year, for costs
3 related to emissions reductions from municipal coal-fired
4 units, up to \$20,000,000 annually.

5 The Department is authorized to utilize up to 10% of the
6 Energy Transition Assistance Fund for administrative and
7 operational expenses to implement the requirements of this
8 Act.

9 (c) Within 30 days after the effective date of this
10 amendatory Act of the 102nd General Assembly, each electric
11 utility serving more than 500,000 customers in the State shall
12 report to the Department its total kilowatt-hours of energy
13 delivered during the 12 months ending on the immediately
14 preceding May 31. By October 31, 2021 and each October 31
15 thereafter, each electric utility serving more than 500,000
16 customers in the State shall report to the Department its
17 total kilowatt-hours of energy delivered during the 12 months
18 ending on the immediately preceding May 31.

19 (d) The Department shall, within 60 days after the
20 effective date of this amendatory Act of the 102nd General
21 Assembly:

22 (1) determine the amount necessary, but not more than
23 \$200,000,000, to meet the funding needs of the programs
24 reliant upon the Energy Transition Assistance Fund as a
25 revenue source for the period between the effective date
26 of this amendatory Act of the 102nd General Assembly and

1 December 31, 2021;

2 (2) determine, based on the kilowatt-hour deliveries
3 for the 12 months ending May 31, 2021 reported by the
4 electric utilities under subsection (c), the total energy
5 transition assistance charge to be allocated to each
6 electric utility for the period between the effective date
7 of this amendatory Act of the 102nd General Assembly and
8 December 31, 2021; and

9 (3) report the total energy transition assistance
10 charge applicable until December 31, 2021 to each electric
11 utility serving more than 500,000 customers in the State
12 and the Illinois Commerce Commission for purposes of
13 filing the tariff pursuant to Section 16-108.30 of the
14 Public Utilities Act.

15 (e) The Department shall by November 30, 2021, and each
16 November 30 thereafter:

17 (1) determine the amount necessary, but not more than
18 \$200,000,000, to meet the funding needs of the programs
19 reliant upon the Energy Transition Assistance Fund as a
20 revenue source for the immediately following calendar
21 year;

22 (2) determine, based on the kilowatt-hour deliveries
23 for the 12 months ending on the immediately preceding May
24 31 reported to it by the electric utilities under
25 subsection (c), the total energy transition assistance
26 charge to be allocated to each electric utility for the

1 immediately following calendar year; and

2 (3) report the energy transition assistance charge
3 applicable for the immediately following calendar year to
4 each electric utility serving more than 500,000 customers
5 in the State and the Illinois Commerce Commission for
6 purposes of filing the tariff pursuant to Section
7 16-108.30 of the Public Utilities Act.

8 (f) The energy transition assistance charge may not exceed
9 \$200,000,000 annually. If, at the end of the calendar year,
10 any surplus remains in the Energy Transition Assistance Fund,
11 the Department may allocate the surplus from the fund in the
12 following order of priority:

13 (1) for costs related to the development of the
14 Stretch Energy Codes and other standards at the Capital
15 Development Board, up to \$500,000 annually, at the request
16 of the Board;

17 (2) up to \$7,000,000 annually shall be transferred to
18 the Energy Efficiency Trust Fund and Clean Air Act Permit
19 Fund for use by the Environmental Protection Agency for
20 costs related to energy efficiency and weatherization, and
21 costs of implementation, administration, and enforcement
22 of the Clean Air Act; and

23 (3) for costs related to State fleet electrification
24 at the Department of Central Management Services, up to
25 \$10,000,000 annually, at the request of the Department.

26 (g) The Department shall determine the appropriate annual

1 level of financial support for municipal coal-fired units
2 receiving funding to facilitate emissions reductions projects
3 as described under paragraph (14) of subsection (b) of this
4 Section. In collaboration with the Environmental Protection
5 Agency and through a public process, the Department shall
6 assess the proper level of State financing necessary to
7 support emissions reductions projects, taking into account
8 project expenses, near-term risk potential, and other factors
9 necessary to make a determination. In making this
10 determination, the Department shall use information gathered
11 and provided in the report of the Nonprofit Electric
12 Generation Task Force under Section 1-128 of the Illinois
13 Power Agency Act, and any independent third-party audit
14 conducted as part of the Task Force or any other effort. Owners
15 or operators of municipal coal-fired units seeking funding to
16 facilitate emissions reductions projects under this Section
17 shall, upon request, disclose financial statements and records
18 to the Department to assist in making this determination.
19 Projects eligible to receive funding under paragraph (14) of
20 subsection (b) shall make every effort to take advantage of
21 federal tax credits, payments, or other support available for
22 emissions reductions effort in order to qualify for financial
23 support.

24 Section 90-20. The Electric Vehicle Act is amended by
25 changing Section 15 and by adding Sections 40, 45, 50, 55, and

1 60 as follows:

2 (20 ILCS 627/15)

3 Sec. 15. Electric Vehicle Coordinator. The Governor, with
4 the advice and consent of the Senate, shall appoint a person
5 within the Illinois Environmental Protection Agency ~~Department~~
6 ~~of Commerce and Economic Opportunity~~ to serve as the Electric
7 Vehicle Coordinator for the State of Illinois. This person may
8 be an existing employee with other duties. The Coordinator
9 shall act as a point person for electric vehicle-related and
10 electric vehicle charging-related ~~electric vehicle related~~
11 policies and activities in Illinois, including, but not
12 limited to, the issuance of electric vehicle rebates for
13 consumers and electric vehicle charging rebates for
14 organizations and companies.

15 (Source: P.A. 97-89, eff. 7-11-11.)

16 (20 ILCS 627/40 new)

17 Sec. 40. Rulemaking; resources. The Agency shall adopt
18 rules as necessary and dedicate sufficient resources to
19 implement Sections 45 and 55.

20 (20 ILCS 627/45 new)

21 Sec. 45. Beneficial electrification.

22 (a) It is the intent of the General Assembly to decrease
23 reliance on fossil fuels, reduce pollution from the

1 transportation sector, increase access to electrification for
2 all consumers, and ensure that electric vehicle adoption and
3 increased electricity usage and demand do not place
4 significant additional burdens on the electric system and
5 create benefits for Illinois residents.

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

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

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

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

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

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

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

1 tend to be higher.

2 (8) Widespread adoption of electric vehicles and
3 charging equipment has the potential to provide customers
4 with fuel cost savings and electric utility customers with
5 cost-saving benefits.

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

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

17 (b) As used in this Section:

18 "Agency" means the Environmental Protection Agency.

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

1 generation from renewable energy sources is high. "Beneficial
2 electrification programs" include a portfolio of the
3 following:

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

5 (2) hourly pricing electric rates;

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

9 (4) optional demand-response programs specifically
10 related to electrification efforts;

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

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

17 (7) incentives for electrification and associated
18 infrastructure targeted to school buses;

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

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

25 (10) incentives for electrification in eligible
26 communities;

1 (11) incentives or programs to enable quicker adoption
2 of electric vehicles by developing public charging
3 stations in dense areas, workplaces, and low-income
4 communities;

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

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

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

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

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

21 "Commission" means the Illinois Commerce Commission.

22 "Coordinator" means the Electric Vehicle Coordinator.

23 "Electric vehicle" means a vehicle that is exclusively
24 powered by and refueled by electricity, must be plugged in to
25 charge, and is licensed to drive on public roadways. "Electric
26 vehicle" does not include electric motorcycles or hybrid

1 electric vehicles and extended-range electric vehicles that
2 are also equipped with conventional fueled propulsion or
3 auxiliary engines.

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

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

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

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

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

1 "Equity investment eligible person" or "eligible person"
2 means the persons who would most benefit from equitable
3 investments by the State designed to combat discrimination and
4 foster sustainable economic growth. Specifically, "eligible
5 person" means the following people:

6 (1) persons whose primary residence is in an equity
7 investment eligible community;

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

10 (3) persons who were formerly incarcerated.

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

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

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

1 (c) The Commission shall initiate a workshop process no
2 later than November 30, 2021 for the purpose of soliciting
3 input on the design of beneficial electrification programs
4 that the utility shall offer. The workshop shall be
5 coordinated by the Staff of the Commission, or a facilitator
6 retained by Staff, and shall be organized and facilitated in a
7 manner that encourages representation from diverse
8 stakeholders, including stakeholders representing
9 environmental justice and low-income communities, and ensures
10 equitable opportunities for participation, without requiring
11 formal intervention or representation by an attorney.

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

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

17 (2) benefits to the distribution system from electric
18 vehicle usage;

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

21 (4) energy price and cost reductions;

22 (5) environmental benefits, including greenhouse gas
23 emission and other pollution reductions;

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

1 (7) current barriers to increasing access among
2 populations that have limited access to electric vehicle
3 ownership, communities significantly impacted by
4 transportation-related pollution, and market segments that
5 create disproportionate pollution impacts;

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

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

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

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

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

24 (i) publicly accessible Level 2 and fast-charging
25 stations, with a focus on bringing access to
26 transportation electrification in densely populated areas

1 and workplaces within eligible communities;

2 (ii) medium-duty and heavy-duty charging
3 infrastructure used by government and private fleet
4 vehicles that serve or travel through environmental
5 justice or eligible communities;

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

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

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

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

25 (d) No later than July 1, 2022, electric utilities serving
26 greater than 500,000 customers in the State shall file a

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

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

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

24 (3) support at least a 40% investment of make-ready
25 infrastructure incentives to facilitate the rapid
26 deployment of charging equipment in or serving

1 environmental justice, low-income, and eligible
2 communities; however, nothing in this subsection is
3 intended to require a specific amount of spending in a
4 particular geographic area;

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

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

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

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

1 (8) provide resources to support private investment in
2 charging equipment for uses in public and private charging
3 applications, including residential, multi-family, fleet,
4 transit, community, and corridor applications.

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

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

1 entered prior to the initial filing date. The Beneficial
2 Electrification Plan shall specifically address, at a minimum,
3 the following:

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

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

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

24 (iv) financial and other challenges to electric
25 vehicle usage in low-income communities, and strategies
26 for overcoming those challenges, particularly in

1 communities and for people for whom car ownership is not
2 an option;

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

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

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

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

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

1 production, and other Commission-approved or
2 customer-desired indicators of beneficial charging times;
3 and

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

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

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

24 (g) Within 35 days after the utility files its report, the
25 Commission shall, upon its own initiative, open an
26 investigation regarding the utility's plan update to

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

24 (h) In meeting the requirements of this Section, the
25 utility shall demonstrate efforts to increase the use of
26 contractors and electric vehicle charging station installers

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

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

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

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

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

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

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

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

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

1 eligible persons; or

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

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

11 (i) Program data collection.

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

25 (2) The implementing utilities shall collect
26 demographic and geographic data for each applicant and

1 each person or business awarded benefits or contracts
2 under this Program.

3 (3) The implementing utilities shall collect the
4 following information from applicants and Program or
5 procurement beneficiaries where applicable:

6 (A) demographic information, including racial or
7 ethnic identity for real persons employed, contracted,
8 or subcontracted through the program;

9 (B) demographic information, including racial or
10 ethnic identity of business owners;

11 (C) geographic location of the residency of real
12 persons or geographic location of the headquarters for
13 businesses; and

14 (D) any other information necessary for the
15 purpose of achieving the purpose of this paragraph.

16 (4) The utility shall publish, at least annually,
17 aggregated information on the demographics of program and
18 procurement applicants and beneficiaries. The utilities
19 shall protect personal and confidential business
20 information as necessary.

21 (5) The utilities shall conduct a regular review
22 process to confirm the accuracy of reported data.

23 (6) On a quarterly basis, utilities shall collect data
24 necessary to ensure compliance with this Section and shall
25 communicate progress toward compliance to program
26 implementation contractors and electric vehicle charging

1 station installation vendors.

2 (7) Utilities filing Beneficial Electrification Plans
3 under this Section shall report annually to the Illinois
4 Commerce Commission and the General Assembly on how
5 hiring, contracting, job training, and other practices
6 related to its Beneficial electrification programs enhance
7 the diversity of vendors working on such programs. These
8 reports must include data on vendor and employee
9 diversity.

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

12 (20 ILCS 627/55 new)

13 Sec. 55. Charging rebate program.

14 (a) In order to substantially offset the installation
15 costs of electric vehicle charging infrastructure, beginning
16 July 1, 2022, and continuing as long as funds are available,
17 the Agency shall issue rebates, consistent with the
18 Commission-approved Beneficial Electrification Plans in
19 accordance with Section 45, to public and private
20 organizations and companies to install and maintain Level 2 or
21 Level 3 charging stations.

22 (b) The Agency shall award rebates or grants that fund up
23 to 80% of the cost of the installation of charging stations.
24 The Agency shall award additional incentives per port for
25 every charging station installed in an eligible community and

1 every charging station located to support eligible persons. In
2 order to be eligible to receive a rebate or grant, the
3 organization or company must submit an application to the
4 Agency and commit to paying the prevailing wage for the
5 installation project. The Agency shall by rule provide
6 application and other programmatic details and requirements,
7 including additional incentives for eligible communities. The
8 Agency may determine per port or project caps based on a review
9 of best practices and stakeholder engagement. The Agency shall
10 accept applications on a rolling basis and shall award rebates
11 or grants within 60 days of each application. The Agency may
12 not award rebates or grants to an organization or company that
13 does not pay the prevailing wage for the installation of a
14 charging station for which it seeks a rebate or grant.

15 (20 ILCS 627/60 new)

16 Sec. 60. Study on loss infrastructure funds and
17 replacement options. The Illinois Department of Transportation
18 shall conduct a study to be delivered to the members of the
19 Illinois General Assembly and made available to the public no
20 later than September 30, 2022. The study shall consider how
21 the proliferation of electric vehicles will adversely affect
22 resources needed for transportation infrastructure and take
23 into consideration any relevant federal actions. The study
24 shall identify the potential revenue loss and offer multiple
25 options for replacing those lost revenues. The Illinois

1 Department of Transportation shall collaborate with
2 organizations representing businesses involved in designing
3 and building transportation infrastructure, organized labor,
4 the general business community, and users of the system. In
5 addition, the Illinois Department of Transportation may
6 collaborate with other state agencies, including but not
7 limited to the Illinois Secretary of State and the Illinois
8 Department of Revenue.

9 This Section is repealed on January 1, 2024.

10 Section 90-23. The Illinois Enterprise Zone Act is amended
11 by changing Section 5.5 as follows:

12 (20 ILCS 655/5.5) (from Ch. 67 1/2, par. 609.1)

13 Sec. 5.5. High Impact Business.

14 (a) In order to respond to unique opportunities to assist
15 in the encouragement, development, growth, and expansion of
16 the private sector through large scale investment and
17 development projects, the Department is authorized to receive
18 and approve applications for the designation of "High Impact
19 Businesses" in Illinois subject to the following conditions:

20 (1) such applications may be submitted at any time
21 during the year;

22 (2) such business is not located, at the time of
23 designation, in an enterprise zone designated pursuant to
24 this Act;

1 (3) the business intends to do one or more of the
2 following:

3 (A) the business intends to make a minimum
4 investment of \$12,000,000 which will be placed in
5 service in qualified property and intends to create
6 500 full-time equivalent jobs at a designated location
7 in Illinois or intends to make a minimum investment of
8 \$30,000,000 which will be placed in service in
9 qualified property and intends to retain 1,500
10 full-time retained jobs at a designated location in
11 Illinois. The business must certify in writing that
12 the investments would not be placed in service in
13 qualified property and the job creation or job
14 retention would not occur without the tax credits and
15 exemptions set forth in subsection (b) of this
16 Section. The terms "placed in service" and "qualified
17 property" have the same meanings as described in
18 subsection (h) of Section 201 of the Illinois Income
19 Tax Act; or

20 (B) the business intends to establish a new
21 electric generating facility at a designated location
22 in Illinois. "New electric generating facility", for
23 purposes of this Section, means a newly-constructed
24 electric generation plant or a newly-constructed
25 generation capacity expansion at an existing electric
26 generation plant, including the transmission lines and

1 associated equipment that transfers electricity from
2 points of supply to points of delivery, and for which
3 such new foundation construction commenced not sooner
4 than July 1, 2001. Such facility shall be designed to
5 provide baseload electric generation and shall operate
6 on a continuous basis throughout the year; and (i)
7 shall have an aggregate rated generating capacity of
8 at least 1,000 megawatts for all new units at one site
9 if it uses natural gas as its primary fuel and
10 foundation construction of the facility is commenced
11 on or before December 31, 2004, or shall have an
12 aggregate rated generating capacity of at least 400
13 megawatts for all new units at one site if it uses coal
14 or gases derived from coal as its primary fuel and
15 shall support the creation of at least 150 new
16 Illinois coal mining jobs, or (ii) shall be funded
17 through a federal Department of Energy grant before
18 December 31, 2010 and shall support the creation of
19 Illinois coal-mining jobs, or (iii) shall use coal
20 gasification or integrated gasification-combined cycle
21 units that generate electricity or chemicals, or both,
22 and shall support the creation of Illinois coal-mining
23 jobs. The business must certify in writing that the
24 investments necessary to establish a new electric
25 generating facility would not be placed in service and
26 the job creation in the case of a coal-fueled plant

1 would not occur without the tax credits and exemptions
2 set forth in subsection (b-5) of this Section. The
3 term "placed in service" has the same meaning as
4 described in subsection (h) of Section 201 of the
5 Illinois Income Tax Act; or

6 (B-5) the business intends to establish a new
7 gasification facility at a designated location in
8 Illinois. As used in this Section, "new gasification
9 facility" means a newly constructed coal gasification
10 facility that generates chemical feedstocks or
11 transportation fuels derived from coal (which may
12 include, but are not limited to, methane, methanol,
13 and nitrogen fertilizer), that supports the creation
14 or retention of Illinois coal-mining jobs, and that
15 qualifies for financial assistance from the Department
16 before December 31, 2010. A new gasification facility
17 does not include a pilot project located within
18 Jefferson County or within a county adjacent to
19 Jefferson County for synthetic natural gas from coal;
20 or

21 (C) the business intends to establish production
22 operations at a new coal mine, re-establish production
23 operations at a closed coal mine, or expand production
24 at an existing coal mine at a designated location in
25 Illinois not sooner than July 1, 2001; provided that
26 the production operations result in the creation of

1 150 new Illinois coal mining jobs as described in
2 subdivision (a)(3)(B) of this Section, and further
3 provided that the coal extracted from such mine is
4 utilized as the predominant source for a new electric
5 generating facility. The business must certify in
6 writing that the investments necessary to establish a
7 new, expanded, or reopened coal mine would not be
8 placed in service and the job creation would not occur
9 without the tax credits and exemptions set forth in
10 subsection (b-5) of this Section. The term "placed in
11 service" has the same meaning as described in
12 subsection (h) of Section 201 of the Illinois Income
13 Tax Act; or

14 (D) the business intends to construct new
15 transmission facilities or upgrade existing
16 transmission facilities at designated locations in
17 Illinois, for which construction commenced not sooner
18 than July 1, 2001. For the purposes of this Section,
19 "transmission facilities" means transmission lines
20 with a voltage rating of 115 kilovolts or above,
21 including associated equipment, that transfer
22 electricity from points of supply to points of
23 delivery and that transmit a majority of the
24 electricity generated by a new electric generating
25 facility designated as a High Impact Business in
26 accordance with this Section. The business must

1 certify in writing that the investments necessary to
2 construct new transmission facilities or upgrade
3 existing transmission facilities would not be placed
4 in service without the tax credits and exemptions set
5 forth in subsection (b-5) of this Section. The term
6 "placed in service" has the same meaning as described
7 in subsection (h) of Section 201 of the Illinois
8 Income Tax Act; or

9 (E) the business intends to establish a new wind
10 power facility at a designated location in Illinois.
11 For purposes of this Section, "new wind power
12 facility" means a newly constructed electric
13 generation facility, or a newly constructed expansion
14 of an existing electric generation facility, placed in
15 service on or after July 1, 2009, that generates
16 electricity using wind energy devices, and such
17 facility shall be deemed to include all associated
18 transmission lines, substations, and other equipment
19 related to the generation of electricity from wind
20 energy devices. For purposes of this Section, "wind
21 energy device" means any device, with a nameplate
22 capacity of at least 0.5 megawatts, that is used in the
23 process of converting kinetic energy from the wind to
24 generate electricity; or

25 (E-5) the business intends to establish a new
26 utility-scale solar facility at a designated location

1 in Illinois. For purposes of this Section, "new
2 utility-scale solar power facility" means a newly
3 constructed electric generation facility, or a newly
4 constructed expansion of an existing electric
5 generation facility, placed in service on or after
6 July 1, 2021, that (i) generates electricity using
7 photovoltaic cells and (ii) has a nameplate capacity
8 that is greater than 5,000 kilowatts, and such
9 facility shall be deemed to include all associated
10 transmission lines, substations, energy storage
11 facilities, and other equipment related to the
12 generation and storage of electricity from
13 photovoltaic cells; or

14 (F) the business commits to (i) make a minimum
15 investment of \$500,000,000, which will be placed in
16 service in a qualified property, (ii) create 125
17 full-time equivalent jobs at a designated location in
18 Illinois, (iii) establish a fertilizer plant at a
19 designated location in Illinois that complies with the
20 set-back standards as described in Table 1: Initial
21 Isolation and Protective Action Distances in the 2012
22 Emergency Response Guidebook published by the United
23 States Department of Transportation, (iv) pay a
24 prevailing wage for employees at that location who are
25 engaged in construction activities, and (v) secure an
26 appropriate level of general liability insurance to

1 protect against catastrophic failure of the fertilizer
2 plant or any of its constituent systems; in addition,
3 the business must agree to enter into a construction
4 project labor agreement including provisions
5 establishing wages, benefits, and other compensation
6 for employees performing work under the project labor
7 agreement at that location; for the purposes of this
8 Section, "fertilizer plant" means a newly constructed
9 or upgraded plant utilizing gas used in the production
10 of anhydrous ammonia and downstream nitrogen
11 fertilizer products for resale; for the purposes of
12 this Section, "prevailing wage" means the hourly cash
13 wages plus fringe benefits for training and
14 apprenticeship programs approved by the U.S.
15 Department of Labor, Bureau of Apprenticeship and
16 Training, health and welfare, insurance, vacations and
17 pensions paid generally, in the locality in which the
18 work is being performed, to employees engaged in work
19 of a similar character on public works; this paragraph
20 (F) applies only to businesses that submit an
21 application to the Department within 60 days after
22 July 25, 2013 (the effective date of Public Act
23 98-109) ~~this amendatory Act of the 98th General~~
24 ~~Assembly~~; and

25 (4) no later than 90 days after an application is
26 submitted, the Department shall notify the applicant of

1 the Department's determination of the qualification of the
2 proposed High Impact Business under this Section.

3 (b) Businesses designated as High Impact Businesses
4 pursuant to subdivision (a)(3)(A) of this Section shall
5 qualify for the credits and exemptions described in the
6 following Acts: Section 9-222 and Section 9-222.1A of the
7 Public Utilities Act, subsection (h) of Section 201 of the
8 Illinois Income Tax Act, and Section 1d of the Retailers'
9 Occupation Tax Act; provided that these credits and exemptions
10 described in these Acts shall not be authorized until the
11 minimum investments set forth in subdivision (a)(3)(A) of this
12 Section have been placed in service in qualified properties
13 and, in the case of the exemptions described in the Public
14 Utilities Act and Section 1d of the Retailers' Occupation Tax
15 Act, the minimum full-time equivalent jobs or full-time
16 retained jobs set forth in subdivision (a)(3)(A) of this
17 Section have been created or retained. Businesses designated
18 as High Impact Businesses under this Section shall also
19 qualify for the exemption described in Section 51 of the
20 Retailers' Occupation Tax Act. The credit provided in
21 subsection (h) of Section 201 of the Illinois Income Tax Act
22 shall be applicable to investments in qualified property as
23 set forth in subdivision (a)(3)(A) of this Section.

24 (b-5) Businesses designated as High Impact Businesses
25 pursuant to subdivisions (a)(3)(B), (a)(3)(B-5), (a)(3)(C),
26 and (a)(3)(D) of this Section shall qualify for the credits

1 and exemptions described in the following Acts: Section 51 of
2 the Retailers' Occupation Tax Act, Section 9-222 and Section
3 9-222.1A of the Public Utilities Act, and subsection (h) of
4 Section 201 of the Illinois Income Tax Act; however, the
5 credits and exemptions authorized under Section 9-222 and
6 Section 9-222.1A of the Public Utilities Act, and subsection
7 (h) of Section 201 of the Illinois Income Tax Act shall not be
8 authorized until the new electric generating facility, the new
9 gasification facility, the new transmission facility, or the
10 new, expanded, or reopened coal mine is operational, except
11 that a new electric generating facility whose primary fuel
12 source is natural gas is eligible only for the exemption under
13 Section 51 of the Retailers' Occupation Tax Act.

14 (b-6) Businesses designated as High Impact Businesses
15 pursuant to subdivision (a)(3)(E) of this Section shall
16 qualify for the exemptions described in Section 51 of the
17 Retailers' Occupation Tax Act; any business so designated as a
18 High Impact Business being, for purposes of this Section, a
19 "Wind Energy Business".

20 (b-7) Beginning on January 1, 2021, businesses designated
21 as High Impact Businesses by the Department shall qualify for
22 the High Impact Business construction jobs credit under
23 subsection (h-5) of Section 201 of the Illinois Income Tax Act
24 if the business meets the criteria set forth in subsection (i)
25 of this Section. The total aggregate amount of credits awarded
26 under the Blue Collar Jobs Act (Article 20 of Public Act 101-9

1 ~~this amendatory Act of the 101st General Assembly~~) shall not
2 exceed \$20,000,000 in any State fiscal year.

3 (c) High Impact Businesses located in federally designated
4 foreign trade zones or sub-zones are also eligible for
5 additional credits, exemptions and deductions as described in
6 the following Acts: Section 9-221 and Section 9-222.1 of the
7 Public Utilities Act; and subsection (g) of Section 201, and
8 Section 203 of the Illinois Income Tax Act.

9 (d) Except for businesses contemplated under subdivision
10 (a) (3) (E) of this Section, existing Illinois businesses which
11 apply for designation as a High Impact Business must provide
12 the Department with the prospective plan for which 1,500
13 full-time retained jobs would be eliminated in the event that
14 the business is not designated.

15 (e) Except for new wind power facilities contemplated
16 under subdivision (a) (3) (E) of this Section, new proposed
17 facilities which apply for designation as High Impact Business
18 must provide the Department with proof of alternative
19 non-Illinois sites which would receive the proposed investment
20 and job creation in the event that the business is not
21 designated as a High Impact Business.

22 (f) Except for businesses contemplated under subdivision
23 (a) (3) (E) of this Section, in the event that a business is
24 designated a High Impact Business and it is later determined
25 after reasonable notice and an opportunity for a hearing as
26 provided under the Illinois Administrative Procedure Act, that

1 the business would have placed in service in qualified
2 property the investments and created or retained the requisite
3 number of jobs without the benefits of the High Impact
4 Business designation, the Department shall be required to
5 immediately revoke the designation and notify the Director of
6 the Department of Revenue who shall begin proceedings to
7 recover all wrongfully exempted State taxes with interest. The
8 business shall also be ineligible for all State funded
9 Department programs for a period of 10 years.

10 (g) The Department shall revoke a High Impact Business
11 designation if the participating business fails to comply with
12 the terms and conditions of the designation. ~~However, the~~
13 ~~penalties for new wind power facilities or Wind Energy~~
14 ~~Businesses for failure to comply with any of the terms or~~
15 ~~conditions of the Illinois Prevailing Wage Act shall be only~~
16 ~~those penalties identified in the Illinois Prevailing Wage~~
17 ~~Act, and the Department shall not revoke a High Impact~~
18 ~~Business designation as a result of the failure to comply with~~
19 ~~any of the terms or conditions of the Illinois Prevailing Wage~~
20 ~~Act in relation to a new wind power facility or a Wind Energy~~
21 ~~Business.~~

22 (h) Prior to designating a business, the Department shall
23 provide the members of the General Assembly and Commission on
24 Government Forecasting and Accountability with a report
25 setting forth the terms and conditions of the designation and
26 guarantees that have been received by the Department in

1 relation to the proposed business being designated.

2 (i) High Impact Business construction jobs credit.
3 Beginning on January 1, 2021, a High Impact Business may
4 receive a tax credit against the tax imposed under subsections
5 (a) and (b) of Section 201 of the Illinois Income Tax Act in an
6 amount equal to 50% of the amount of the incremental income tax
7 attributable to High Impact Business construction jobs credit
8 employees employed in the course of completing a High Impact
9 Business construction jobs project. However, the High Impact
10 Business construction jobs credit may equal 75% of the amount
11 of the incremental income tax attributable to High Impact
12 Business construction jobs credit employees if the High Impact
13 Business construction jobs credit project is located in an
14 underserved area.

15 The Department shall certify to the Department of Revenue:
16 (1) the identity of taxpayers that are eligible for the High
17 Impact Business construction jobs credit; and (2) the amount
18 of High Impact Business construction jobs credits that are
19 claimed pursuant to subsection (h-5) of Section 201 of the
20 Illinois Income Tax Act in each taxable year. Any business
21 entity that receives a High Impact Business construction jobs
22 credit shall maintain a certified payroll pursuant to
23 subsection (j) of this Section.

24 As used in this subsection (i):

25 "High Impact Business construction jobs credit" means an
26 amount equal to 50% (or 75% if the High Impact Business

1 construction project is located in an underserved area) of the
2 incremental income tax attributable to High Impact Business
3 construction job employees. The total aggregate amount of
4 credits awarded under the Blue Collar Jobs Act (Article 20 of
5 Public Act 101-9 ~~this amendatory Act of the 101st General~~
6 ~~Assembly~~) shall not exceed \$20,000,000 in any State fiscal
7 year

8 "High Impact Business construction job employee" means a
9 laborer or worker who is employed by an Illinois contractor or
10 subcontractor in the actual construction work on the site of a
11 High Impact Business construction job project.

12 "High Impact Business construction jobs project" means
13 building a structure or building or making improvements of any
14 kind to real property, undertaken and commissioned by a
15 business that was designated as a High Impact Business by the
16 Department. The term "High Impact Business construction jobs
17 project" does not include the routine operation, routine
18 repair, or routine maintenance of existing structures,
19 buildings, or real property.

20 "Incremental income tax" means the total amount withheld
21 during the taxable year from the compensation of High Impact
22 Business construction job employees.

23 "Underserved area" means a geographic area that meets one
24 or more of the following conditions:

- 25 (1) the area has a poverty rate of at least 20%
26 according to the latest federal decennial census;

1 (2) 75% or more of the children in the area
2 participate in the federal free lunch program according to
3 reported statistics from the State Board of Education;

4 (3) at least 20% of the households in the area receive
5 assistance under the Supplemental Nutrition Assistance
6 Program (SNAP); or

7 (4) the area has an average unemployment rate, as
8 determined by the Illinois Department of Employment
9 Security, that is more than 120% of the national
10 unemployment average, as determined by the U.S. Department
11 of Labor, for a period of at least 2 consecutive calendar
12 years preceding the date of the application.

13 (j) Each contractor and subcontractor who is engaged in
14 and executing a High Impact Business Construction jobs
15 project, as defined under subsection (i) of this Section, for
16 a business that is entitled to a credit pursuant to subsection
17 (i) of this Section shall:

18 (1) make and keep, for a period of 5 years from the
19 date of the last payment made on or after June 5, 2021 (the
20 effective date of Public Act 101-9) ~~this amendatory Act of~~
21 ~~the 101st General Assembly~~ on a contract or subcontract
22 for a High Impact Business Construction Jobs Project,
23 records for all laborers and other workers employed by the
24 contractor or subcontractor on the project; the records
25 shall include:

26 (A) the worker's name;

1 (B) the worker's address;

2 (C) the worker's telephone number, if available;

3 (D) the worker's social security number;

4 (E) the worker's classification or
5 classifications;

6 (F) the worker's gross and net wages paid in each
7 pay period;

8 (G) the worker's number of hours worked each day;

9 (H) the worker's starting and ending times of work
10 each day;

11 (I) the worker's hourly wage rate; and

12 (J) the worker's hourly overtime wage rate;

13 (2) no later than the 15th day of each calendar month,
14 provide a certified payroll for the immediately preceding
15 month to the taxpayer in charge of the High Impact
16 Business construction jobs project; within 5 business days
17 after receiving the certified payroll, the taxpayer shall
18 file the certified payroll with the Department of Labor
19 and the Department of Commerce and Economic Opportunity; a
20 certified payroll must be filed for only those calendar
21 months during which construction on a High Impact Business
22 construction jobs project has occurred; the certified
23 payroll shall consist of a complete copy of the records
24 identified in paragraph (1) of this subsection (j), but
25 may exclude the starting and ending times of work each
26 day; the certified payroll shall be accompanied by a

1 statement signed by the contractor or subcontractor or an
2 officer, employee, or agent of the contractor or
3 subcontractor which avers that:

4 (A) he or she has examined the certified payroll
5 records required to be submitted by the Act and such
6 records are true and accurate; and

7 (B) the contractor or subcontractor is aware that
8 filing a certified payroll that he or she knows to be
9 false is a Class A misdemeanor.

10 A general contractor is not prohibited from relying on a
11 certified payroll of a lower-tier subcontractor, provided the
12 general contractor does not knowingly rely upon a
13 subcontractor's false certification.

14 Any contractor or subcontractor subject to this
15 subsection, and any officer, employee, or agent of such
16 contractor or subcontractor whose duty as an officer,
17 employee, or agent it is to file a certified payroll under this
18 subsection, who willfully fails to file such a certified
19 payroll on or before the date such certified payroll is
20 required by this paragraph to be filed and any person who
21 willfully files a false certified payroll that is false as to
22 any material fact is in violation of this Act and guilty of a
23 Class A misdemeanor.

24 The taxpayer in charge of the project shall keep the
25 records submitted in accordance with this subsection on or
26 after June 5, 2021 (the effective date of Public Act 101-9)

1 ~~this amendatory Act of the 101st General Assembly~~ for a period
2 of 5 years from the date of the last payment for work on a
3 contract or subcontract for the High Impact Business
4 construction jobs project.

5 The records submitted in accordance with this subsection
6 shall be considered public records, except an employee's
7 address, telephone number, and social security number, and
8 made available in accordance with the Freedom of Information
9 Act. The Department of Labor shall accept any reasonable
10 submissions by the contractor that meet the requirements of
11 this subsection (j) and shall share the information with the
12 Department in order to comply with the awarding of a High
13 Impact Business construction jobs credit. A contractor,
14 subcontractor, or public body may retain records required
15 under this Section in paper or electronic format.

16 (k) Upon 7 business days' notice, each contractor and
17 subcontractor shall make available for inspection and copying
18 at a location within this State during reasonable hours, the
19 records identified in this subsection (j) to the taxpayer in
20 charge of the High Impact Business construction jobs project,
21 its officers and agents, the Director of the Department of
22 Labor and his or her deputies and agents, and to federal,
23 State, or local law enforcement agencies and prosecutors.

24 (Source: P.A. 101-9, eff. 6-5-19; revised 7-12-19.)

25 Section 90-24. The Department of Labor Law of the Civil

1 Administrative Code of Illinois is amended by changing Section
2 1505-215 and by adding Section 1505-220 as follows:

3 (20 ILCS 1505/1505-215)

4 Sec. 1505-215. Bureau on Apprenticeship Programs and Clean
5 Energy Jobs ; ~~Advisory Board~~.

6 (a) For purposes of this Section, "clean energy sector"
7 means solar energy, wind energy, energy efficiency, solar
8 thermal, green hydrogen, geothermal, and electric vehicle
9 industries and other renewable energy industries, industries
10 achieving emission reductions, and related industries that
11 manufacture, develop, build, maintain, or provide ancillary
12 services to renewable energy resources or energy efficiency
13 products or services, including the manufacture and
14 installation of healthier building materials that contain
15 fewer hazardous chemicals.

16 (b) There is created within the Department of Labor a
17 Bureau on Apprenticeship Programs and Clean Energy Jobs. This
18 Bureau shall work to increase minority participation in active
19 apprentice programs in Illinois that are approved by the
20 United States Department of Labor and in clean energy jobs in
21 Illinois. The Bureau shall identify barriers to minorities
22 gaining access to construction careers and careers in the
23 clean energy sector and make recommendations to the Governor
24 and the General Assembly for policies to remove those
25 barriers. The Department may hire staff to perform outreach in

1 promoting diversity in active apprenticeship programs approved
2 by the United States Department of Labor.

3 (c) The Bureau shall annually compile racial and gender
4 workforce diversity information from contractors receiving
5 State or other public funds and by labor unions with members
6 working on projects receiving State or other public funds.

7 (d) The Bureau shall compile racial and gender workforce
8 diversity information from certified transcripts of payroll
9 reports filed in the preceding year pursuant to the Prevailing
10 Wage Act for all clean energy sector construction projects.
11 The Bureau shall work with the Department of Commerce and
12 Economic Opportunity, the Illinois Power Agency, the Illinois
13 Commerce Commission, and other agencies, as necessary, to
14 receive and share data and reporting on racial and gender
15 workforce diversity, demographic data, and any other data
16 necessary to achieve the goals of this Section.

17 (e) By April 15, 2022 and every April 15 thereafter, the
18 Bureau shall publish and make available on the Department's
19 website a report summarizing the racial and gender diversity
20 of the workforce on all clean energy sector projects by
21 county. The report shall use a consistent structure for
22 information requests and presentation, with an easy-to-use
23 table of contents, to enable comparable year-over-year
24 solicitation and benchmarking of data. The development of the
25 report structure shall be open to a public review and comment
26 period. That report shall compare the race, ethnicity, and

1 gender of the workers on covered clean energy sector projects
2 to the general population of the county in which the project is
3 located. The report shall also disaggregate such data to
4 compare the race, ethnicity, and gender of workers employed by
5 union and nonunion contractors and compare the race,
6 ethnicity, and gender of workers who reside in Illinois and
7 those who reside outside of Illinois. The report shall also
8 include the race, ethnicity, and gender of the workers by
9 prevailing wage classification.

10 (f) The Bureau shall present its annual report to the
11 Energy Workforce Advisory Council in order to inform its
12 program evaluations, recommendations, and objectives pursuant
13 to Section 5-65 of the Energy Transition Act. The Bureau shall
14 also present its annual report to the Illinois Power Agency in
15 order to inform its ongoing equity and compliance efforts in
16 the clean energy sector.

17 The Bureau and all entities subject to the requirements of
18 subsection (d) shall hold an annual workshop open to the
19 public in 2022 and every year thereafter on the state of racial
20 and gender workforce diversity in the clean energy sector in
21 order to collaboratively seek solutions to structural
22 impediments to achieving diversity, equity, and inclusion
23 goals, including testimony from each participating entity,
24 subject matter experts, and advocates.

25 (g) The Bureau shall publish each annual report prepared
26 and filed pursuant to subsection (d) on the Department of

1 Labor's website for at least 5 years.

2 (Source: P.A. 101-170, eff. 1-1-20; 101-601, eff. 1-1-20;
3 revised 10-22-20.)

4 (20 ILCS 1505/1505-220 new)

5 Sec. 1505-220. Small Clean Energy Contractor Prevailing
6 Wage Act Assistance. The General Assembly finds that small
7 clean energy businesses, especially those in or serving
8 underserved or historically disinvested communities, need
9 assistance and resources to help them comply with the
10 Prevailing Wage Act. Therefore, the Department of Labor shall
11 develop and administer a statewide program to assist small
12 clean energy contractors in administering and complying with
13 the Prevailing Wage Act requirements. This Program shall
14 provide training and ongoing technical assistance pertaining
15 to compliance with the Prevailing Wage Act, including
16 certified payroll reporting requirements. Ongoing assistance
17 shall include, but is not limited to, answering contractor
18 questions, recommending tools and process improvements,
19 establishing an account with and utilizing the Certified
20 Transcript of Payroll Portal, building administrative
21 expertise within individual businesses, and any other
22 assistance businesses identify as needed based on verbal or
23 other input. All Program training, technical assistance,
24 materials, services, and systems shall be structured to
25 accommodate and address real-world circumstances encountered

1 by small clean energy contractors; shall be developed,
2 refined, and adjusted as necessary in consultation with such
3 contractors; and shall be administered to serve businesses
4 that operate in languages other than English and do so at a
5 level of service equivalent to that offered to businesses that
6 operate in English. The Department may enter into agreements
7 with entities with experience in supporting small businesses
8 in underserved or historically disinvested communities to
9 implement portions or all of the program, ensuring such
10 capacity is developed in northern, central, and southern
11 Illinois regions. The Department shall communicate and market
12 program services to small clean energy contractors statewide,
13 and may do so in coordination with the Department of Commerce
14 and Economic Opportunity.

15 Section 90-25. The Energy Efficient Building Act is
16 amended by changing Sections 10, 15, 20, 30, 40, and 45 and by
17 adding Section 55 as follows:

18 (20 ILCS 3125/10)

19 Sec. 10. Definitions.

20 "Board" means the Capital Development Board.

21 "Building" includes both residential buildings and
22 commercial buildings.

23 "Code" means the latest published edition of the
24 International Code Council's International Energy Conservation

1 Code as adopted by the Board, including any published
2 supplements adopted by the Board and any amendments and
3 adaptations to the Code that are made by the Board.

4 "Commercial building" means any building except a building
5 that is a residential building, as defined in this Section.

6 "Department" means the Department of Commerce and Economic
7 Opportunity.

8 "Municipality" means any city, village, or incorporated
9 town.

10 "Residential building" means (i) a detached one-family or
11 2-family dwelling or (ii) any building that is 3 stories or
12 less in height above grade that contains multiple dwelling
13 units, in which the occupants reside on a primarily permanent
14 basis, such as a townhouse, a row house, an apartment house, a
15 convent, a monastery, a rectory, a fraternity or sorority
16 house, a dormitory, and a rooming house; provided, however,
17 that when applied to a building located within the boundaries
18 of a municipality having a population of 1,000,000 or more,
19 the term "residential building" means a building containing
20 one or more dwelling units, not exceeding 4 stories above
21 grade, where occupants are primarily permanent.

22 "Site energy index" means a scalar published by the
23 Pacific Northwest National Laboratories representing the ratio
24 of the site energy performance of an evaluated code compared
25 to the site energy performance of the 2006 International
26 Energy Conservation Code. A "site energy index" includes only

1 conservation measures and excludes net energy credit for any
2 on-site or off-site energy production.

3 (Source: P.A. 101-144, eff. 7-26-19.)

4 (20 ILCS 3125/15)

5 Sec. 15. Energy Efficient Building Code. The Board, in
6 consultation with the Department, shall adopt the Code as
7 minimum requirements for commercial buildings, applying to the
8 construction of, renovations to, and additions to all
9 commercial buildings in the State. The Board, in consultation
10 with the Department, shall also adopt the Code as the minimum
11 and maximum requirements for residential buildings, applying
12 to the construction of, renovations to, and additions to all
13 residential buildings in the State, except as provided for in
14 Section 45 of this Act. The Board may appropriately adapt the
15 International Energy Conservation Code to apply to the
16 particular economy, population distribution, geography, and
17 climate of the State and construction therein, consistent with
18 the public policy objectives of this Act.

19 (Source: P.A. 96-778, eff. 8-28-09.)

20 (20 ILCS 3125/20)

21 Sec. 20. Applicability.

22 (a) The Board shall review and adopt the Code within one
23 year after its publication. The Code shall take effect within
24 6 months after it is adopted by the Board, except that,

1 beginning January 1, 2012, the Code adopted in 2012 shall take
2 effect on January 1, 2013. Except as otherwise provided in
3 this Act, the Code shall apply to (i) any new building or
4 structure in this State for which a building permit
5 application is received by a municipality or county and (ii)
6 beginning on the effective date of this amendatory Act of the
7 100th General Assembly, each State facility specified in
8 Section 4.01 of the Capital Development Board Act. In the case
9 of any addition, alteration, renovation, or repair to an
10 existing residential or commercial structure, the Code adopted
11 under this Act applies only to the portions of that structure
12 that are being added, altered, renovated, or repaired. The
13 changes made to this Section by this amendatory Act of the 97th
14 General Assembly shall in no way invalidate or otherwise
15 affect contracts entered into on or before the effective date
16 of this amendatory Act of the 97th General Assembly.

17 (b) The following buildings shall be exempt from the Code:

18 (1) Buildings otherwise exempt from the provisions of
19 a locally adopted building code and buildings that do not
20 contain a conditioned space.

21 (2) Buildings that do not use either electricity or
22 fossil fuel for comfort conditioning. For purposes of
23 determining whether this exemption applies, a building
24 will be presumed to be heated by electricity, even in the
25 absence of equipment used for electric comfort heating,
26 whenever the building is provided with electrical service

1 in excess of 100 amps, unless the code enforcement
2 official determines that this electrical service is
3 necessary for purposes other than providing electric
4 comfort heating.

5 (3) Historic buildings. This exemption shall apply to
6 those buildings that are listed on the National Register
7 of Historic Places or the Illinois Register of Historic
8 Places, and to those buildings that have been designated
9 as historically significant by a local governing body that
10 is authorized to make such designations.

11 (4) (Blank).

12 (5) Other buildings specified as exempt by the
13 International Energy Conservation Code.

14 (c) Additions, alterations, renovations, or repairs to an
15 existing building, building system, or portion thereof shall
16 conform to the provisions of the Code as they relate to new
17 construction without requiring the unaltered portion of the
18 existing building or building system to comply with the Code.
19 The following need not comply with the Code, provided that the
20 energy use of the building is not increased: (i) storm windows
21 installed over existing fenestration, (ii) glass-only
22 replacements in an existing sash and frame, (iii) existing
23 ceiling, wall, or floor cavities exposed during construction,
24 provided that these cavities are filled with insulation, and
25 (iv) construction where the existing roof, wall, or floor is
26 not exposed.

1 (d) A unit of local government that does not regulate
2 energy efficient building standards is not required to adopt,
3 enforce, or administer the Code; however, any energy efficient
4 building standards adopted by a unit of local government must
5 comply with this Act. If a unit of local government does not
6 regulate energy efficient building standards, any
7 construction, renovation, or addition to buildings or
8 structures is subject to the provisions contained in this Act.
9 (Source: P.A. 100-729, eff. 8-3-18.)

10 (20 ILCS 3125/30)

11 Sec. 30. Enforcement. The Board, in consultation with the
12 Department, shall determine procedures for compliance with the
13 Code. These procedures may include but need not be limited to
14 certification by a national, State, or local accredited energy
15 conservation program or inspections from private
16 Code-certified inspectors using the Code. For purposes of the
17 Illinois Stretch Energy Code under Section 55, the Board shall
18 allow and encourage, as an alternative compliance mechanism,
19 project certification by a nationally recognized nonprofit
20 certification organization specializing in high-performance
21 passive buildings and offering climate-specific building
22 energy standards that require equal or better energy
23 performance than the Illinois Stretch Energy Code.

24 (Source: P.A. 93-936, eff. 8-13-04.)

1 (20 ILCS 3125/40)

2 Sec. 40. Input from interested parties. When developing
3 Code adaptations, rules, and procedures for compliance with
4 the Code, the Capital Development Board shall seek input from
5 representatives from the building trades, design
6 professionals, construction professionals, code
7 administrators, and other interested entities affected. Any
8 board or group that the Capital Development Board seeks input
9 from must include the following:

10 (i) a representative from a group that represents
11 environmental justice;

12 (ii) a representative of a nonprofit or professional
13 association advocating for the environment;

14 (iii) an energy-efficiency advocate with technical
15 expertise in single-family residential buildings;

16 (iv) an energy-efficiency advocate with technical
17 expertise in commercial buildings; and

18 (v) an energy-efficiency advocate with technical expertise
19 in multifamily buildings, such as an affordable housing
20 developer.

21 (Source: P.A. 99-639, eff. 7-28-16.)

22 (20 ILCS 3125/45)

23 Sec. 45. Home rule.

24 (a) (Blank). No unit of local government, including any
25 home rule unit, may regulate energy efficient building

1 ~~standards for commercial buildings in a manner that is less~~
2 ~~stringent than the provisions contained in this Act.~~

3 (b) No unit of local government, including any home rule
4 unit, may regulate energy efficient building standards for
5 residential buildings in a manner that is either less or more
6 stringent than the standards established pursuant to this Act;
7 provided, however, that the following entities may regulate
8 energy efficient building standards for residential or
9 commercial buildings in a manner that is more stringent than
10 the provisions contained in this Act: (i) a unit of local
11 government, including a home rule unit, that has, on or before
12 May 15, 2009, adopted or incorporated by reference energy
13 efficient building standards for residential or commercial
14 buildings that are equivalent to or more stringent than the
15 2006 International Energy Conservation Code, (ii) a unit of
16 local government, including a home rule unit, that has, on or
17 before May 15, 2009, provided to the Capital Development
18 Board, as required by Section 10.18 of the Capital Development
19 Board Act, an identification of an energy efficient building
20 code or amendment that is equivalent to or more stringent than
21 the 2006 International Energy Conservation Code, (ii-5) a
22 municipality that has adopted the Illinois Stretch Energy
23 Code, and (iii) a municipality with a population of 1,000,000
24 or more.

25 (c) No unit of local government, including any home rule
26 unit or unit of local government that is subject to State

1 regulation under the Code as provided in Section 15 of this
2 Act, may hereafter enact any annexation ordinance or
3 resolution, or require or enter into any annexation agreement,
4 that imposes energy efficient building standards for
5 residential or commercial buildings that are either less or
6 more stringent than the energy efficiency standards in effect,
7 at the time of construction, throughout the unit of local
8 government, except for the Illinois Stretch Energy Code.

9 (d) This Section is a denial and limitation of home rule
10 powers and functions under subsection (i) of Section 6 of
11 Article VII of the Illinois Constitution on the concurrent
12 exercise by home rule units of powers and functions exercised
13 by the State. Nothing in this Section, however, prevents a
14 unit of local government from adopting an energy efficiency
15 code or standards for commercial buildings that are more
16 stringent than the Code under this Act.

17 (e) A unit of local government requiring the Illinois
18 Stretch Energy Code must do so with the adoption of the Code by
19 its governing body.

20 (Source: P.A. 99-639, eff. 7-28-16.)

21 (20 ILCS 3125/55 new)

22 Sec. 55. Illinois Stretch Energy Code.

23 (a) The Board, in consultation with the Department, shall
24 create and adopt the Illinois Stretch Energy Code, to allow
25 municipalities and projects authorized or funded by the Board

1 to achieve more energy efficiency in buildings than the
2 Illinois Energy Conservation Code through a consistent pathway
3 across the State. The Illinois Stretch Energy Code shall be
4 available for adoption by any municipality and shall set
5 minimum energy efficiency requirements, taking the place of
6 the Illinois Energy Conservation Code within any municipality
7 that adopts the Illinois Stretch Energy Code.

8 (b) The Illinois Stretch Energy Code shall have separate
9 components for commercial and residential buildings, which may
10 be adopted by the municipality jointly or separately.

11 (c) The Illinois Stretch Energy Code shall apply to all
12 projects to which an energy conservation code is applicable
13 that are authorized or funded in any part by the Board after
14 January 1, 2024.

15 (d) Development of the Illinois Stretch Energy Code shall
16 be completed and available for adoption by municipalities by
17 December 31, 2023.

18 (e) Consistent with the requirements under paragraph (2.5)
19 of subsection (g) of Section 8-103B of the Public Utilities
20 Act and under paragraph (2) of subsection (j) of Section 8-104
21 of the Public Utilities Act, municipalities may adopt the
22 Illinois Stretch Energy Code and may use utility programs to
23 support compliance with the Illinois Stretch Energy Code. The
24 amount of savings from such utility efforts that may be
25 counted toward achievement of their annual savings goals shall
26 be based on reasonable estimates of the increase in savings

1 resulting from the utility efforts, relative to reasonable
2 approximations of what would have occurred absent the utility
3 involvement.

4 (f) The Illinois Stretch Energy Code's residential
5 components shall:

6 (1) apply to residential buildings as defined under
7 Section 10;

8 (2) set performance targets using a site energy index
9 with reductions relative to the 2006 International Energy
10 Conservation Code; and

11 (3) include stretch energy codes with site energy
12 index standards and adoption dates as follows: by no later
13 than December 31, 2023, the Board shall create and adopt a
14 stretch energy code with a site energy index no greater
15 than 0.50 of the 2006 International Energy Conservation
16 Code; by no later than December 31, 2025, the Board shall
17 create and adopt a stretch energy code with a site energy
18 index no greater than 0.40 of the 2006 International
19 Energy Conservation Code, unless the Board identifies
20 unanticipated burdens associated with the stretch energy
21 code adopted in 2023, in which case the Board may adopt a
22 stretch energy code with a site energy index no greater
23 than 0.42 of the 2006 International Energy Conservation
24 Code, provided that the more relaxed standard has a site
25 energy index that is at least 0.05 more restrictive than
26 the 2024 International Energy Conservation Code; by no

1 later than December 31, 2028, the Board shall create and
2 adopt a stretch energy code with a site energy index no
3 greater than 0.33 of the 2006 International Energy
4 Conservation Code, unless the Board identifies
5 unanticipated burdens associated with the stretch energy
6 code adopted in 2025, in which case the Board may adopt a
7 stretch energy code with a site energy index no greater
8 than 0.35 of the 2006 International Energy Conservation
9 Code, but only if that more relaxed standard has a site
10 energy index that is at least 0.05 more restrictive than
11 the 2027 International Energy Conservation Code; and by no
12 later than December 31, 2031, the Board shall create and
13 adopt a stretch energy code with a site energy index no
14 greater than 0.25 of the 2006 International Energy
15 Conservation Code.

16 (g) The Illinois Stretch Energy Code's commercial
17 components shall:

18 (1) apply to commercial buildings as defined under
19 Section 10;

20 (2) set performance targets using a site energy index
21 with reductions relative to the 2006 International Energy
22 Conservation Code; and

23 (3) include stretch energy codes with site energy
24 index standards and adoption dates as follows: by no later
25 than December 31, 2023, the Board shall create and adopt a
26 stretch energy code with a site energy index no greater

1 than 0.60 of the 2006 International Energy Conservation
2 Code; by no later than December 31, 2025, the Board shall
3 create and adopt a stretch energy code with a site energy
4 index no greater than 0.50 of the 2006 International
5 Energy Conservation Code; by no later than December 31,
6 2028, the Board shall create and adopt a stretch energy
7 code with a site energy index no greater than 0.44 of the
8 2006 International Energy Conservation Code; and by no
9 later than December 31, 2031, the Board shall create and
10 adopt a stretch energy code with a site energy index no
11 greater than 0.39 of the 2006 International Energy
12 Conservation Code.

13 (h) The process for the creation of the Illinois Stretch
14 Energy Code includes:

15 (1) within 60 days after the effective date of this
16 amendatory Act of the 102nd General Assembly, the Capital
17 Development Board shall meet with the Illinois Energy Code
18 Advisory Council to advise and provide technical
19 assistance and recommendations to the Capital Development
20 Board for the Illinois Stretch Energy Code, which shall:

21 (A) advise the Capital Development Board on
22 creation of interim performance targets, code
23 requirements, and an implementation plan for the
24 Illinois Stretch Energy Code;

25 (B) recommend amendments to proposed rules issued
26 by the Capital Development Board;

1 (C) recommend complementary programs or policies;

2 (D) complete recommendations and development for
3 the Illinois Stretch Energy Code elements and
4 requirements by July 31, 2023;

5 (2) As part of its deliberations, the Illinois Energy
6 Code Advisory Council shall actively solicit input from
7 other energy code stakeholders and interested parties.

8 Section 90-30. The Illinois Power Agency Act is amended by
9 changing Sections 1-5, 1-10, 1-20, 1-35, 1-56, 1-70, 1-75,
10 1-92, and 1-125 and by adding Section 1-128 as follows:

11 (20 ILCS 3855/1-5)

12 Sec. 1-5. Legislative declarations and findings. The
13 General Assembly finds and declares:

14 (1) The health, welfare, and prosperity of all
15 Illinois residents ~~citizens~~ require the provision of
16 adequate, reliable, affordable, efficient, and
17 environmentally sustainable electric service at the lowest
18 total cost over time, taking into account any benefits of
19 price stability.

20 (1.5) To provide the highest quality of life for the
21 residents of Illinois and to provide for a clean and
22 healthy environment, it is the policy of this State to
23 rapidly transition to 100% clean energy by 2050.

24 (2) (Blank).

1 (3) (Blank).

2 (4) It is necessary to improve the process of
3 procuring electricity to serve Illinois residents, to
4 promote investment in energy efficiency and
5 demand-response measures, and to maintain and support
6 development of clean coal technologies, generation
7 resources that operate at all hours of the day and under
8 all weather conditions, zero emission facilities, and
9 renewable resources.

10 (5) Procuring a diverse electricity supply portfolio
11 will ensure the lowest total cost over time for adequate,
12 reliable, efficient, and environmentally sustainable
13 electric service.

14 (6) Including renewable resources and zero emission
15 credits from zero emission facilities in that portfolio
16 will reduce long-term direct and indirect costs to
17 consumers by decreasing environmental impacts and by
18 avoiding or delaying the need for new generation,
19 transmission, and distribution infrastructure. Developing
20 new renewable energy resources in Illinois, including
21 brownfield solar projects and community solar projects,
22 will help to diversify Illinois electricity supply, avoid
23 and reduce pollution, reduce peak demand, and enhance
24 public health and well-being of Illinois residents.

25 (7) Developing community solar projects in Illinois
26 will help to expand access to renewable energy resources

1 to more Illinois residents.

2 (8) Developing brownfield solar projects in Illinois
3 will help return blighted or contaminated land to
4 productive use while enhancing public health and the
5 well-being of Illinois residents, including those in
6 environmental justice communities.

7 (9) Energy efficiency, demand-response measures, zero
8 emission energy, and renewable energy are resources
9 currently underused in Illinois. These resources should be
10 used, when cost effective, to reduce costs to consumers,
11 improve reliability, and improve environmental quality and
12 public health.

13 (10) The State should encourage the use of advanced
14 clean coal technologies that capture and sequester carbon
15 dioxide emissions to advance environmental protection
16 goals and to demonstrate the viability of coal and
17 coal-derived fuels in a carbon-constrained economy.

18 (10.5) The State should encourage the development of
19 interregional high voltage direct current (HVDC)
20 transmission lines that benefit Illinois. All ratepayers
21 in the State served by the regional transmission
22 organization where the HVDC converter station is
23 interconnected benefit from the long-term price stability
24 and market access provided by interregional HVDC
25 transmission facilities. The benefits to Illinois include:
26 reduction in wholesale power prices; access to lower-cost

1 markets; enabling the integration of additional renewable
2 generating units within the State through near
3 instantaneous dispatchability and the provision of
4 ancillary services; creating good-paying union jobs in
5 Illinois; and, enhancing grid reliability and climate
6 resilience via HVDC facilities that are installed
7 underground.

8 (10.6) The health, welfare, and safety of the people
9 of the State are advanced by developing new HVDC
10 transmission lines predominantly along transportation
11 rights-of-way, with an HVDC converter station that is
12 located in the service territory of a public utility as
13 defined in Section 3-105 of the Public Utilities Act
14 servicing more than 3,000,000 retail customers, and with a
15 project labor agreement as defined in Section 1-10 of this
16 Act.

17 (11) The General Assembly enacted Public Act 96-0795
18 to reform the State's purchasing processes, recognizing
19 that government procurement is susceptible to abuse if
20 structural and procedural safeguards are not in place to
21 ensure independence, insulation, oversight, and
22 transparency.

23 (12) The principles that underlie the procurement
24 reform legislation apply also in the context of power
25 purchasing.

26 (13) To ensure that the benefits of installing

1 renewable resources are available to all Illinois
2 residents and located across the State, subject to
3 appropriation, it is necessary for the Agency to provide
4 public information and educational resources on how
5 residents can benefit from the expansion of renewable
6 energy in Illinois and participate in the Illinois Solar
7 for All Program established in Section 1-56, the
8 Adjustable Block program established in Section 1-75, the
9 job training programs established by paragraph (1) of
10 subsection (a) of Section 16-108.12 of the Public
11 Utilities Act, and the programs and resources established
12 by the Energy Transition Act.

13 The General Assembly therefore finds that it is necessary
14 to create the Illinois Power Agency and that the goals and
15 objectives of that Agency are to accomplish each of the
16 following:

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

1 The procurement plan shall be updated on an annual basis
2 and shall include renewable energy resources and,
3 beginning with the delivery year commencing June 1, 2017,
4 zero emission credits from zero emission facilities
5 sufficient to achieve the standards specified in this Act.

6 (B) Conduct the competitive procurement processes
7 identified in this Act.

8 (C) Develop electric generation and co-generation
9 facilities that use indigenous coal or renewable
10 resources, or both, financed with bonds issued by the
11 Illinois Finance Authority.

12 (D) Supply electricity from the Agency's facilities at
13 cost to one or more of the following: municipal electric
14 systems, governmental aggregators, or rural electric
15 cooperatives in Illinois.

16 (E) Ensure that the process of power procurement is
17 conducted in an ethical and transparent fashion, immune
18 from improper influence.

19 (F) Continue to review its policies and practices to
20 determine how best to meet its mission of providing the
21 lowest cost power to the greatest number of people, at any
22 given point in time, in accordance with applicable law.

23 (G) Operate in a structurally insulated, independent,
24 and transparent fashion so that nothing impedes the
25 Agency's mission to secure power at the best prices the
26 market will bear, provided that the Agency meets all

1 applicable legal requirements.

2 (H) Implement renewable energy procurement and
3 training programs throughout the State to diversify
4 Illinois electricity supply, improve reliability, avoid
5 and reduce pollution, reduce peak demand, and enhance
6 public health and well-being of Illinois residents,
7 including low-income residents.

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

9 (20 ILCS 3855/1-10)

10 Sec. 1-10. Definitions.

11 "Agency" means the Illinois Power Agency.

12 "Agency loan agreement" means any agreement pursuant to
13 which the Illinois Finance Authority agrees to loan the
14 proceeds of revenue bonds issued with respect to a project to
15 the Agency upon terms providing for loan repayment
16 installments at least sufficient to pay when due all principal
17 of, interest and premium, if any, on those revenue bonds, and
18 providing for maintenance, insurance, and other matters in
19 respect of the project.

20 "Authority" means the Illinois Finance Authority.

21 "Brownfield site photovoltaic project" means photovoltaics
22 that are either:

23 (1) interconnected to an electric utility as defined
24 in this Section, a municipal utility as defined in this
25 Section, a public utility as defined in Section 3-105 of

1 the Public Utilities Act, or an electric cooperative~~7~~ as
2 defined in Section 3-119 of the Public Utilities Act~~7~~ and
3 ~~(2)~~ located at a site that is regulated by any of the
4 following entities under the following programs:

5 (A) the United States Environmental Protection
6 Agency under the federal Comprehensive Environmental
7 Response, Compensation, and Liability Act of 1980, as
8 amended;

9 (B) the United States Environmental Protection
10 Agency under the Corrective Action Program of the
11 federal Resource Conservation and Recovery Act, as
12 amended;

13 (C) the Illinois Environmental Protection Agency
14 under the Illinois Site Remediation Program; or

15 (D) the Illinois Environmental Protection Agency
16 under the Illinois Solid Waste Program; or~~7~~

17 (2) located at the site of a coal mine that has
18 permanently ceased coal production, permanently halted any
19 re-mining operations, and is no longer accepting any coal
20 combustion residues; has both completed all clean-up and
21 remediation obligations under the federal Surface Mining
22 and Reclamation Act of 1977 and all applicable Illinois
23 rules and any other clean-up, remediation, or ongoing
24 monitoring to safeguard the health and well-being of the
25 people of the State of Illinois, as well as demonstrated
26 compliance with all applicable federal and State

1 environmental rules and regulations, including, but not
2 limited, to 35 Ill. Adm. Code Part 845 and any rules for
3 historic fill of coal combustion residuals, including any
4 rules finalized in Subdocket A of Illinois Pollution
5 Control Board docket R2020-019.

6 "Clean coal facility" means an electric generating
7 facility that uses primarily coal as a feedstock and that
8 captures and sequesters carbon dioxide emissions at the
9 following levels: at least 50% of the total carbon dioxide
10 emissions that the facility would otherwise emit if, at the
11 time construction commences, the facility is scheduled to
12 commence operation before 2016, at least 70% of the total
13 carbon dioxide emissions that the facility would otherwise
14 emit if, at the time construction commences, the facility is
15 scheduled to commence operation during 2016 or 2017, and at
16 least 90% of the total carbon dioxide emissions that the
17 facility would otherwise emit if, at the time construction
18 commences, the facility is scheduled to commence operation
19 after 2017. The power block of the clean coal facility shall
20 not exceed allowable emission rates for sulfur dioxide,
21 nitrogen oxides, carbon monoxide, particulates and mercury for
22 a natural gas-fired combined-cycle facility the same size as
23 and in the same location as the clean coal facility at the time
24 the clean coal facility obtains an approved air permit. All
25 coal used by a clean coal facility shall have high volatile
26 bituminous rank and greater than 1.7 pounds of sulfur per

1 million btu content, unless the clean coal facility does not
2 use gasification technology and was operating as a
3 conventional coal-fired electric generating facility on June
4 1, 2009 (the effective date of Public Act 95-1027).

5 "Clean coal SNG brownfield facility" means a facility that
6 (1) has commenced construction by July 1, 2015 on an urban
7 brownfield site in a municipality with at least 1,000,000
8 residents; (2) uses a gasification process to produce
9 substitute natural gas; (3) uses coal as at least 50% of the
10 total feedstock over the term of any sourcing agreement with a
11 utility and the remainder of the feedstock may be either
12 petroleum coke or coal, with all such coal having a high
13 bituminous rank and greater than 1.7 pounds of sulfur per
14 million Btu content unless the facility reasonably determines
15 that it is necessary to use additional petroleum coke to
16 deliver additional consumer savings, in which case the
17 facility shall use coal for at least 35% of the total feedstock
18 over the term of any sourcing agreement; and (4) captures and
19 sequesters at least 85% of the total carbon dioxide emissions
20 that the facility would otherwise emit.

21 "Clean coal SNG facility" means a facility that uses a
22 gasification process to produce substitute natural gas, that
23 sequesters at least 90% of the total carbon dioxide emissions
24 that the facility would otherwise emit, that uses at least 90%
25 coal as a feedstock, with all such coal having a high
26 bituminous rank and greater than 1.7 pounds of sulfur per

1 million btu content, and that has a valid and effective permit
2 to construct emission sources and air pollution control
3 equipment and approval with respect to the federal regulations
4 for Prevention of Significant Deterioration of Air Quality
5 (PSD) for the plant pursuant to the federal Clean Air Act;
6 provided, however, a clean coal SNG brownfield facility shall
7 not be a clean coal SNG facility.

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

10 "Commission" means the Illinois Commerce Commission.

11 "Community renewable generation project" means an electric
12 generating facility that:

13 (1) is powered by wind, solar thermal energy,
14 photovoltaic cells or panels, biodiesel, crops and
15 untreated and unadulterated organic waste biomass, ~~tree~~
16 ~~waste,~~ and hydropower that does not involve new
17 construction or significant expansion of hydropower dams;

18 (2) is interconnected at the distribution system level
19 of an electric utility as defined in this Section, a
20 municipal utility as defined in this Section that owns or
21 operates electric distribution facilities, a public
22 utility as defined in Section 3-105 of the Public
23 Utilities Act, or an electric cooperative, as defined in
24 Section 3-119 of the Public Utilities Act;

25 (3) credits the value of electricity generated by the
26 facility to the subscribers of the facility; and

1 (4) is limited in nameplate capacity to less than or
2 equal to 5,000 ~~2,000~~ kilowatts.

3 "Costs incurred in connection with the development and
4 construction of a facility" means:

5 (1) the cost of acquisition of all real property,
6 fixtures, and improvements in connection therewith and
7 equipment, personal property, and other property, rights,
8 and easements acquired that are deemed necessary for the
9 operation and maintenance of the facility;

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

12 (3) all origination, commitment, utilization,
13 facility, placement, underwriting, syndication, credit
14 enhancement, and rating agency fees;

15 (4) engineering, design, procurement, consulting,
16 legal, accounting, title insurance, survey, appraisal,
17 escrow, trustee, collateral agency, interest rate hedging,
18 interest rate swap, capitalized interest, contingency, as
19 required by lenders, and other financing costs, and other
20 expenses for professional services; and

21 (5) the costs of plans, specifications, site study and
22 investigation, installation, surveys, other Agency costs
23 and estimates of costs, and other expenses necessary or
24 incidental to determining the feasibility of any project,
25 together with such other expenses as may be necessary or
26 incidental to the financing, insuring, acquisition, and

1 construction of a specific project and starting up,
2 commissioning, and placing that project in operation.

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

5 "Delivery year" means the consecutive 12-month period
6 beginning June 1 of a given year and ending May 31 of the
7 following year.

8 "Department" means the Department of Commerce and Economic
9 Opportunity.

10 "Director" means the Director of the Illinois Power
11 Agency.

12 "Demand-response" means measures that decrease peak
13 electricity demand or shift demand from peak to off-peak
14 periods.

15 "Distributed renewable energy generation device" means a
16 device that is:

17 (1) powered by wind, solar thermal energy,
18 photovoltaic cells or panels, biodiesel, crops and
19 untreated and unadulterated organic waste biomass, tree
20 waste, and hydropower that does not involve new
21 construction or significant expansion of hydropower dams,
22 waste heat to power systems, or qualified combined heat
23 and power systems;

24 (2) interconnected at the distribution system level of
25 either an electric utility as defined in this Section, a
26 municipal utility as defined in this Section that owns or

1 operates electric distribution facilities, or a rural
2 electric cooperative as defined in Section 3-119 of the
3 Public Utilities Act;

4 (3) located on the customer side of the customer's
5 electric meter and is primarily used to offset that
6 customer's electricity load; and

7 (4) (blank). ~~limited in nameplate capacity to less~~
8 ~~than or equal to 2,000 kilowatts.~~

9 "Energy efficiency" means measures that reduce the amount
10 of electricity or natural gas consumed in order to achieve a
11 given end use. "Energy efficiency" includes voltage
12 optimization measures that optimize the voltage at points on
13 the electric distribution voltage system and thereby reduce
14 electricity consumption by electric customers' end use
15 devices. "Energy efficiency" also includes measures that
16 reduce the total Btus of electricity, natural gas, and other
17 fuels needed to meet the end use or uses.

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

20 "Equity investment eligible community" or "eligible
21 community" are synonymous and mean the geographic areas
22 throughout Illinois which would most benefit from equitable
23 investments by the State designed to combat discrimination.
24 Specifically, the eligible communities shall be defined as the
25 following areas:

26 (1) R3 Areas as established pursuant to Section 10-40

1 of the Cannabis Regulation and Tax Act, where residents
2 have historically been excluded from economic
3 opportunities, including opportunities in the energy
4 sector; and

5 (2) Environmental justice communities, as defined by
6 the Illinois Power Agency pursuant to the Illinois Power
7 Agency Act, where residents have historically been subject
8 to disproportionate burdens of pollution, including
9 pollution from the energy sector.

10 "Equity eligible persons" or "eligible persons" means
11 persons who would most benefit from equitable investments by
12 the State designed to combat discrimination, specifically:

13 (1) persons who graduate from or are current or former
14 participants in the Clean Jobs Workforce Network Program,
15 the Clean Energy Contractor Incubator Program, the
16 Illinois Climate Works Preapprenticeship Program,
17 Returning Residents Clean Jobs Training Program, or the
18 Clean Energy Primes Contractor Accelerator Program, and
19 the solar training pipeline and multi-cultural jobs
20 program created in paragraphs (a) (1) and (a) (3) of Section
21 16-108.21 of the Public Utilities Act;

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

24 (3) persons who were formerly incarcerated;

25 (4) persons whose primary residence is in an equity
26 investment eligible community.

1 "Equity eligible contractor" means a business that is
2 majority-owned by eligible persons, or a nonprofit or
3 cooperative that is majority-governed by eligible persons, or
4 is a natural person that is an eligible person offering
5 personal services as an independent contractor.

6 "Facility" means an electric generating unit or a
7 co-generating unit that produces electricity along with
8 related equipment necessary to connect the facility to an
9 electric transmission or distribution system.

10 "General Contractor" means the entity or organization with
11 main responsibility for the building of a construction project
12 and who is the party signing the prime construction contract
13 for the project.

14 "Governmental aggregator" means one or more units of local
15 government that individually or collectively procure
16 electricity to serve residential retail electrical loads
17 located within its or their jurisdiction.

18 "High voltage direct current converter station" means the
19 collection of equipment that converts direct current energy
20 from a high voltage direct current transmission line into
21 alternating current using Voltage Source Conversion technology
22 and that is interconnected with transmission or distribution
23 assets located in Illinois.

24 "High voltage direct current renewable energy credit"
25 means a renewable energy credit associated with a renewable
26 energy resource where the renewable energy resource has

1 entered into a contract to transmit the energy associated with
2 such renewable energy credit over high voltage direct current
3 transmission facilities.

4 "High voltage direct current transmission facilities"
5 means the collection of installed equipment that converts
6 alternating current energy in one location to direct current
7 and transmits that direct current energy to a high voltage
8 direct current converter station using Voltage Source
9 Conversion technology. "High voltage direct current
10 transmission facilities" includes the high voltage direct
11 current converter station itself and associated high voltage
12 direct current transmission lines. Notwithstanding the
13 preceding, after the effective date of this amendatory Act of
14 the 102nd General Assembly, an otherwise qualifying collection
15 of equipment does not qualify as high voltage direct current
16 transmission facilities unless its developer entered into a
17 project labor agreement, is capable of transmitting
18 electricity at 525kv with an Illinois converter station
19 located and interconnected in the region of the PJM
20 Interconnection, LLC, and the system does not operate as a
21 public utility, as that term is defined in Section 3-105 of the
22 Public Utilities Act.

23 "Index price" means the real-time energy settlement price
24 at the applicable Illinois trading hub, such as PJM-NIHUB or
25 MISO-IL, for a given settlement period.

26 "Indexed renewable energy credit" means a tradable credit

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

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

10 "Local government" means a unit of local government as
11 defined in Section 1 of Article VII of the Illinois
12 Constitution.

13 "Municipality" means a city, village, or incorporated
14 town.

15 "Municipal utility" means a public utility owned and
16 operated by any subdivision or municipal corporation of this
17 State.

18 "Nameplate capacity" means the aggregate inverter
19 nameplate capacity in kilowatts AC.

20 "Person" means any natural person, firm, partnership,
21 corporation, either domestic or foreign, company, association,
22 limited liability company, joint stock company, or association
23 and includes any trustee, receiver, assignee, or personal
24 representative thereof.

25 "Project" means the planning, bidding, and construction of
26 a facility.

1 "Project labor agreement" means a pre-hire collective
2 bargaining agreement that covers all terms and conditions of
3 employment on a specific construction project and must include
4 the following:

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

7 (2) provisions establishing the benefits and other
8 compensation for each class of labor organization
9 employee;

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

12 (4) provisions establishing that no lockout or
13 disputes will be engaged in by the general contractor
14 building the project; and

15 (5) provisions for minorities and women, as defined
16 under the Business Enterprise for Minorities, Women, and
17 Persons with Disabilities Act, setting forth goals for
18 apprenticeship hours to be performed by minorities and
19 women and setting forth goals for total hours to be
20 performed by underrepresented minorities and women.

21 A labor organization and the general contractor building
22 the project shall have the authority to include other terms
23 and conditions as they deem necessary.

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

26 "Qualified combined heat and power systems" means systems

1 that, either simultaneously or sequentially, produce
2 electricity and useful thermal energy from a single fuel
3 source. Such systems are eligible for "renewable energy
4 credits" in an amount equal to its total energy output where a
5 renewable fuel is consumed or in an amount equal to the net
6 reduction in nonrenewable fuel consumed on a total energy
7 output basis.

8 "Real property" means any interest in land together with
9 all structures, fixtures, and improvements thereon, including
10 lands under water and riparian rights, any easements,
11 covenants, licenses, leases, rights-of-way, uses, and other
12 interests, together with any liens, judgments, mortgages, or
13 other claims or security interests related to real property.

14 "Renewable energy credit" means a tradable credit that
15 represents the environmental attributes of one megawatt hour
16 of energy produced from a renewable energy resource.

17 "Renewable energy resources" includes energy and its
18 associated renewable energy credit or renewable energy credits
19 from wind, solar thermal energy, photovoltaic cells and
20 panels, biodiesel, anaerobic digestion, crops and untreated
21 and unadulterated organic waste biomass, ~~tree waste,~~ and
22 hydropower that does not involve new construction or
23 significant expansion of hydropower dams, waste heat to power
24 systems, or qualified combined heat and power systems. For
25 purposes of this Act, landfill gas produced in the State is
26 considered a renewable energy resource. "Renewable energy

1 resources" does not include the incineration or burning of
2 tires, garbage, general household, institutional, and
3 commercial waste, industrial lunchroom or office waste,
4 landscape waste ~~other than tree waste~~, railroad crossties,
5 utility poles, or construction or demolition debris, other
6 than untreated and unadulterated waste wood. "Renewable energy
7 resources" also includes high voltage direct current renewable
8 energy credits and the associated energy converted to
9 alternating current by a high voltage direct current converter
10 station to the extent that: (1) the generator of such
11 renewable energy resource contracted with a third party to
12 transmit the energy over the high voltage direct current
13 transmission facilities, and (2) the third-party contracting
14 for delivery of renewable energy resources over the high
15 voltage direct current transmission facilities have ownership
16 rights over the unretired associated high voltage direct
17 current renewable energy credit.

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

20 "Revenue bond" means any bond, note, or other evidence of
21 indebtedness issued by the Authority, the principal and
22 interest of which is payable solely from revenues or income
23 derived from any project or activity of the Agency.

24 "Sequester" means permanent storage of carbon dioxide by
25 injecting it into a saline aquifer, a depleted gas reservoir,
26 or an oil reservoir, directly or through an enhanced oil

1 recovery process that may involve intermediate storage,
2 regardless of whether these activities are conducted by a
3 clean coal facility, a clean coal SNG facility, a clean coal
4 SNG brownfield facility, or a party with which a clean coal
5 facility, clean coal SNG facility, or clean coal SNG
6 brownfield facility has contracted for such purposes.

7 "Service area" has the same definition as found in Section
8 16-102 of the Public Utilities Act.

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

12 "Sourcing agreement" means (i) in the case of an electric
13 utility, an agreement between the owner of a clean coal
14 facility and such electric utility, which agreement shall have
15 terms and conditions meeting the requirements of paragraph (3)
16 of subsection (d) of Section 1-75, (ii) in the case of an
17 alternative retail electric supplier, an agreement between the
18 owner of a clean coal facility and such alternative retail
19 electric supplier, which agreement shall have terms and
20 conditions meeting the requirements of Section 16-115(d) (5) of
21 the Public Utilities Act, and (iii) in case of a gas utility,
22 an agreement between the owner of a clean coal SNG brownfield
23 facility and the gas utility, which agreement shall have the
24 terms and conditions meeting the requirements of subsection
25 (h-1) of Section 9-220 of the Public Utilities Act.

26 "Strike price" means a contract price for energy and

1 renewable energy credits from a new utility-scale wind project
2 or a new utility-scale photovoltaic project.

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

13 "Subscription" means an interest in a community renewable
14 generation project expressed in kilowatts, which is sized
15 primarily to offset part or all of the subscriber's
16 electricity usage.

17 "Substitute natural gas" or "SNG" means a gas manufactured
18 by gasification of hydrocarbon feedstock, which is
19 substantially interchangeable in use and distribution with
20 conventional natural gas.

21 "Total resource cost test" or "TRC test" means a standard
22 that is met if, for an investment in energy efficiency or
23 demand-response measures, the benefit-cost ratio is greater
24 than one. The benefit-cost ratio is the ratio of the net
25 present value of the total benefits of the program to the net
26 present value of the total costs as calculated over the

1 lifetime of the measures. A total resource cost test compares
2 the sum of avoided electric utility costs, representing the
3 benefits that accrue to the system and the participant in the
4 delivery of those efficiency measures and including avoided
5 costs associated with reduced use of natural gas or other
6 fuels, avoided costs associated with reduced water
7 consumption, and avoided costs associated with reduced
8 operation and maintenance costs, as well as other quantifiable
9 societal benefits, to the sum of all incremental costs of
10 end-use measures that are implemented due to the program
11 (including both utility and participant contributions), plus
12 costs to administer, deliver, and evaluate each demand-side
13 program, to quantify the net savings obtained by substituting
14 the demand-side program for supply resources. In calculating
15 avoided costs of power and energy that an electric utility
16 would otherwise have had to acquire, reasonable estimates
17 shall be included of financial costs likely to be imposed by
18 future regulations and legislation on emissions of greenhouse
19 gases. In discounting future societal costs and benefits for
20 the purpose of calculating net present values, a societal
21 discount rate based on actual, long-term Treasury bond yields
22 should be used. Notwithstanding anything to the contrary, the
23 TRC test shall not include or take into account a calculation
24 of market price suppression effects or demand reduction
25 induced price effects.

26 "Utility-scale solar project" means an electric generating

1 facility that:

2 (1) generates electricity using photovoltaic cells;
3 and

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

6 "Utility-scale wind project" means an electric generating
7 facility that:

8 (1) generates electricity using wind; and

9 (2) has a nameplate capacity that is greater than
10 5,000 ~~2,000~~ kilowatts.

11 "Waste Heat to Power Systems" means systems that capture
12 and generate electricity from energy that would otherwise be
13 lost to the atmosphere without the use of additional fuel.

14 "Zero emission credit" means a tradable credit that
15 represents the environmental attributes of one megawatt hour
16 of energy produced from a zero emission facility.

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

21 (Source: P.A. 98-90, eff. 7-15-13; 99-906, eff. 6-1-17.)

22 (20 ILCS 3855/1-20)

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

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

25 (1) Develop electricity procurement plans to ensure

1 adequate, reliable, affordable, efficient, and
2 environmentally sustainable electric service at the lowest
3 total cost over time, taking into account any benefits of
4 price stability, for electric utilities that on December
5 31, 2005 provided electric service to at least 100,000
6 customers in Illinois and for small multi-jurisdictional
7 electric utilities that (A) on December 31, 2005 served
8 less than 100,000 customers in Illinois and (B) request a
9 procurement plan for their Illinois jurisdictional load.
10 Except as provided in paragraph (1.5) of this subsection
11 (a), the electricity procurement plans shall be updated on
12 an annual basis and shall include electricity generated
13 from renewable resources sufficient to achieve the
14 standards specified in this Act. Beginning with the
15 delivery year commencing June 1, 2017, develop procurement
16 plans to include zero emission credits generated from zero
17 emission facilities sufficient to achieve the standards
18 specified in this Act. Beginning with the delivery year
19 commencing on June 1, 2022, the Agency is authorized to
20 develop carbon mitigation credit procurement plans to
21 include carbon mitigation credits generated from
22 carbon-free energy resources sufficient to achieve the
23 standards specified in this Act.

24 (1.5) Develop a long-term renewable resources
25 procurement plan in accordance with subsection (c) of
26 Section 1-75 of this Act for renewable energy credits in

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

7 (2) Conduct competitive procurement processes to
8 procure the supply resources identified in the electricity
9 procurement plan, pursuant to Section 16-111.5 of the
10 Public Utilities Act, and, for the delivery year
11 commencing June 1, 2017, conduct procurement processes to
12 procure zero emission credits from zero emission
13 facilities, under subsection (d-5) of Section 1-75 of this
14 Act. For the delivery year commencing June 1, 2022, the
15 Agency is authorized to conduct procurement processes to
16 procure carbon mitigation credits from carbon-free energy
17 resources, under subsection (d-10) of Section 1-75 of this
18 Act.

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

26 (2.10) Oversee the procurement by electric utilities

1 that served more than 300,000 customers in this State as
2 of January 1, 2019 of renewable energy credits from new
3 renewable energy facilities to be installed, along with
4 energy storage facilities, at or adjacent to the sites of
5 electric generating facilities that burned coal as their
6 primary fuel source as of January 1, 2016 in accordance
7 with subsection (c-5) of Section 1-75 of this Act.

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

12 (4) Supply electricity from the Agency's facilities at
13 cost to one or more of the following: municipal electric
14 systems, governmental aggregators, or rural electric
15 cooperatives in Illinois.

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

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

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

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

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

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

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

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

22 (8) To purchase, take, receive, subscribe for, or
23 otherwise acquire, hold, make a tender offer for, vote,
24 employ, sell, lend, lease, exchange, transfer, or
25 otherwise dispose of, mortgage, pledge, or grant a
26 security interest in, use, and otherwise deal in and with,

1 bonds and other obligations, shares, or other securities
2 (or interests therein) issued by others, whether engaged
3 in a similar or different business or activity.

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

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

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

26 (12) To enter into agreements with the Illinois

1 Finance Authority to issue bonds whether or not the income
2 therefrom is exempt from federal taxation.

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

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

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

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

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

1 the residents ~~citizens~~ of Illinois.

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

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

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

12 (21) To accept and expend appropriations.

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

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

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

26 (25) To conduct competitive gasification feedstock

1 procurement processes to procure the feedstocks for the
2 clean coal SNG brownfield facility in accordance with the
3 requirements of Section 1-78 of this Act.

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

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

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

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

1 (1) of subsection (c) of Section 1-75.

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

3 (20 ILCS 3855/1-35)

4 Sec. 1-35. Agency rules. The Agency shall adopt rules as
5 may be necessary and appropriate for the operation of the
6 Agency. In addition to other rules relevant to the operation
7 of the Agency, the Agency shall adopt rules that accomplish
8 each of the following:

9 (1) Establish procedures for monitoring the
10 administration of any contract administered directly or
11 indirectly by the Agency; except that the procedures shall
12 not extend to executed contracts between electric
13 utilities and their suppliers.

14 (2) If deemed necessary by the Agency, establish
15 ~~Establish~~ procedures for the recovery of costs incurred in
16 connection with the development and construction of a
17 facility should the Agency cancel a project, provided that
18 no such costs shall be passed on to public utilities or
19 their customers or paid from the Illinois Power Agency
20 Operations Fund.

21 (3) Implement accounting rules and a system of
22 accounts, in accordance with State law, permitting all
23 reporting (i) required by the State, (ii) required under
24 this Act, (iii) required by the Authority, or (iv)
25 required under the Public Utilities Act.

1 The Agency shall not adopt any rules that infringe upon
2 the authority granted to the Commission.

3 (Source: P.A. 95-481, eff. 8-28-07.)

4 (20 ILCS 3855/1-56)

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

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

9 (b) The Illinois Power Agency Renewable Energy Resources
10 Fund shall be administered by the Agency as described in this
11 subsection (b), provided that the changes to this subsection
12 (b) made by this amendatory Act of the 99th General Assembly
13 shall not interfere with existing contracts under this
14 Section.

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

19 (2) The Illinois Power Agency Renewable Energy
20 Resources Fund shall also be used to create the Illinois
21 Solar for All Program, which provides ~~shall include~~
22 incentives for low-income distributed generation and
23 community solar projects, and other associated approved
24 expenditures. The objectives of the Illinois Solar for All
25 Program are to bring photovoltaics to low-income

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

1 1-75 of this Act, and the program shall be designed to grow
2 the low-income solar market. The Agency or utility, as
3 applicable, shall purchase renewable energy credits from
4 the (i) photovoltaic distributed renewable energy
5 generation projects and (ii) community solar projects that
6 are procured under procurement processes authorized by the
7 long-term renewable resources procurement plans approved
8 by the Commission.

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

1 this Act, shall initially be allocated among the programs
2 described in this paragraph (2), as follows: 35% ~~22.5%~~ of
3 these funds shall be allocated to programs described in
4 subparagraphs ~~subparagraph~~ (A) and (E) of this paragraph
5 (2), 40% ~~37.5%~~ of these funds shall be allocated to
6 programs described in subparagraph (B) of this paragraph
7 (2), and 25% ~~15%~~ of these funds shall be allocated to
8 programs described in subparagraph (C) of this paragraph
9 (2), ~~and 25% of these funds, but in no event more than~~
10 ~~\$50,000,000, shall be allocated to programs described in~~
11 ~~subparagraph (D) of this paragraph (2).~~ The allocation of
12 funds among subparagraphs (A), (B), ~~or~~ (C), and (E) of
13 this paragraph (2) may be changed if the Agency, after
14 receiving input through a stakeholder process, ~~or~~
15 ~~administrator, through delegated authority,~~ determines
16 incentives in subparagraphs (A), (B), ~~or~~ (C), or (E) of
17 this paragraph (2) have not been adequately subscribed to
18 fully utilize available Illinois Solar for All Program
19 funds ~~the Illinois Power Agency Renewable Energy Resources~~
20 ~~Fund. The determination shall include input through a~~
21 ~~stakeholder process. The program offerings described in~~
22 ~~subparagraphs (A) through (D) of this paragraph (2) shall~~
23 ~~also be implemented through contracts funded from such~~
24 ~~additional amounts as are allocated to one or more of the~~
25 ~~programs in the long term renewable resources procurement~~
26 ~~plans as specified in subsection (c) of Section 1-75 of~~

1 ~~this Act and subparagraph (0) of paragraph (1) of such~~
2 ~~subsection (c).~~

3 Contracts that will be paid with funds in the Illinois
4 Power Agency Renewable Energy Resources Fund shall be
5 executed by the Agency. Contracts that will be paid with
6 funds collected by an electric utility shall be executed
7 by the electric utility.

8 Contracts under the Illinois Solar for All Program
9 shall include an approach, as set forth in the long-term
10 renewable resources procurement plans, to ensure the
11 wholesale market value of the energy is credited to
12 participating low-income customers or organizations and to
13 ensure tangible economic benefits flow directly to program
14 participants, except in the case of low-income
15 multi-family housing where the low-income customer does
16 not directly pay for energy. Priority shall be given to
17 projects that demonstrate meaningful involvement of
18 low-income community members in designing the initial
19 proposals. Acceptable proposals to implement projects must
20 demonstrate the applicant's ability to conduct initial
21 community outreach, education, and recruitment of
22 low-income participants in the community. Projects must
23 include job training opportunities if available, with the
24 specific level of trainee usage to be determined through
25 the Agency's long-term renewable resources procurement
26 plan, and the Illinois Solar for All Program Administrator

1 shall ~~endeavor to~~ coordinate with the job training
2 programs described in paragraph (1) of subsection (a) of
3 Section 16-108.12 of the Public Utilities Act and in the
4 Energy Transition Act.

5 The Agency shall make every effort to ensure that
6 small and emerging businesses, particularly those located
7 in low-income and environmental justice communities, are
8 able to participate in the Illinois Solar for All Program.
9 These efforts may include, but shall not be limited to,
10 proactive support from the program administrator,
11 different or preferred access to subprograms and
12 administrator-identified customers or grassroots
13 education provider-identified customers, and different
14 incentive levels. The Agency shall report on progress and
15 barriers to participation of small and emerging businesses
16 in the Illinois Solar for All Program at least once a year.
17 The report shall be made available on the Agency's website
18 and, in years when the Agency is updating its long-term
19 renewable resources procurement plan, included in that
20 Plan.

21 (A) Low-income single-family and small multifamily
22 solar distributed generation incentive. This program
23 will provide incentives to low-income customers,
24 either directly or through solar providers, to
25 increase the participation of low-income households in
26 photovoltaic on-site distributed generation at

1 residential buildings containing one to 4 units.
2 Companies participating in this program that install
3 solar panels shall commit to hiring job trainees for a
4 portion of their low-income installations, and an
5 administrator shall facilitate partnering the
6 companies that install solar panels with entities that
7 provide solar panel installation job training. It is a
8 goal of this program that a minimum of 25% of the
9 incentives for this program be allocated to projects
10 located within environmental justice communities.
11 Contracts entered into under this paragraph may be
12 entered into with an entity that will develop and
13 administer the program and shall also include
14 contracts for renewable energy credits from the
15 photovoltaic distributed generation that is the
16 subject of the program, as set forth in the long-term
17 renewable resources procurement plan. Additionally:

18 (i) The Agency shall reserve a portion of this
19 program for projects that promote energy
20 sovereignty through ownership of projects by
21 low-income households, not-for-profit
22 organizations providing services to low-income
23 households, affordable housing owners, community
24 cooperatives, or community-based limited liability
25 companies providing services to low-income
26 households. Projects that feature energy ownership

1 should ensure that local people have control of
2 the project and reap benefits from the project
3 over and above energy bill savings. The Agency may
4 consider the inclusion of projects that promote
5 ownership over time or that involve partial
6 project ownership by communities, as promoting
7 energy sovereignty. Incentives for projects that
8 promote energy sovereignty may be higher than
9 incentives for equivalent projects that do not
10 promote energy sovereignty under this same
11 program.

12 (ii) Through its long-term renewable resources
13 procurement plan, the Agency shall consider
14 additional program and contract requirements to
15 ensure faithful compliance by applicants
16 benefiting from preferences for projects
17 designated to promote energy sovereignty. The
18 Agency shall make every effort to enable solar
19 providers already participating in the Adjustable
20 Block-Program under subparagraph (K) of paragraph
21 (1) of subsection (c) of Section 1-75 of this Act,
22 and particularly solar providers developing
23 projects under item (i) of subparagraph (K) of
24 paragraph (1) of subsection (c) of Section 1-75 of
25 this Act to easily participate in the Low-Income
26 Distributed Generation Incentive program described

1 under this subparagraph (A), and vice versa. This
2 effort may include, but shall not be limited to,
3 utilizing similar or the same application systems
4 and processes, similar or the same forms and
5 formats of communication, and providing active
6 outreach to companies participating in one program
7 but not the other. The Agency shall report on
8 efforts made to encourage this cross-participation
9 in its long-term renewable resources procurement
10 plan.

11 (B) Low-Income Community Solar Project Initiative.
12 Incentives shall be offered to low-income customers,
13 either directly or through developers, to increase the
14 participation of low-income subscribers of community
15 solar projects. The developer of each project shall
16 identify its partnership with community stakeholders
17 regarding the location, development, and participation
18 in the project, provided that nothing shall preclude a
19 project from including an anchor tenant that does not
20 qualify as low-income. Companies participating in this
21 program that develop or install solar projects shall
22 commit to hiring job trainees for a portion of their
23 low-income installations, and an administrator shall
24 facilitate partnering the companies that install solar
25 projects with entities that provide solar installation
26 and related job training. Incentives should also be

1 ~~offered to community solar projects that are 100%~~
2 ~~low-income subscriber owned, which includes low income~~
3 ~~households, not for-profit organizations, and~~
4 ~~affordable housing owners.~~ It is a goal of this
5 program that a minimum of 25% of the incentives for
6 this program be allocated to community photovoltaic
7 projects in environmental justice communities. The
8 Agency shall reserve a portion of this program for
9 projects that promote energy sovereignty through
10 ownership of projects by low-income households,
11 not-for-profit organizations providing services to
12 low-income households, affordable housing owners, or
13 community-based limited liability companies providing
14 services to low-income households. Projects that
15 feature energy ownership should ensure that local
16 people have control of the project and reap benefits
17 from the project over and above energy bill savings.
18 The Agency may consider the inclusion of projects that
19 promote ownership over time or that involve partial
20 project ownership by communities, as promoting energy
21 sovereignty. Incentives for projects that promote
22 energy sovereignty may be higher than incentives for
23 equivalent projects that do not promote energy
24 sovereignty under this same program. Contracts entered
25 into under this paragraph may be entered into with
26 developers and shall also include contracts for

1 renewable energy credits related to the program.

2 (C) Incentives for non-profits and public
3 facilities. Under this program funds shall be used to
4 support on-site photovoltaic distributed renewable
5 energy generation devices to serve the load associated
6 with not-for-profit customers and to support
7 photovoltaic distributed renewable energy generation
8 that uses photovoltaic technology to serve the load
9 associated with public sector customers taking service
10 at public buildings. Companies participating in this
11 program that develop or install solar projects shall
12 commit to hiring job trainees for a portion of their
13 low-income installations, and an administrator shall
14 facilitate partnering the companies that install solar
15 projects with entities that provide solar installation
16 and related job training. Through its long-term
17 renewable resources procurement plan, the Agency shall
18 consider additional program and contract requirements
19 to ensure faithful compliance by applicants benefiting
20 from preferences for projects designated to promote
21 energy sovereignty. It is a goal of this program that
22 at least 25% of the incentives for this program be
23 allocated to projects located in environmental justice
24 communities. Contracts entered into under this
25 paragraph may be entered into with an entity that will
26 develop and administer the program or with developers

1 and shall also include contracts for renewable energy
2 credits related to the program.

3 (D) (Blank). ~~Low Income Community Solar Pilot~~
4 ~~Projects. Under this program, persons, including, but~~
5 ~~not limited to, electric utilities, shall propose~~
6 ~~pilot community solar projects. Community solar~~
7 ~~projects proposed under this subparagraph (D) may~~
8 ~~exceed 2,000 kilowatts in nameplate capacity, but the~~
9 ~~amount paid per project under this program may not~~
10 ~~exceed \$20,000,000. Pilot projects must result in~~
11 ~~economic benefits for the members of the community in~~
12 ~~which the project will be located. The proposed pilot~~
13 ~~project must include a partnership with at least one~~
14 ~~community based organization. Approved pilot projects~~
15 ~~shall be competitively bid by the Agency, subject to~~
16 ~~fair and equitable guidelines developed by the Agency.~~
17 ~~Funding available under this subparagraph (D) may not~~
18 ~~be distributed solely to a utility, and at least some~~
19 ~~funds under this subparagraph (D) must include a~~
20 ~~project partnership that includes community ownership~~
21 ~~by the project subscribers. Contracts entered into~~
22 ~~under this paragraph may be entered into with an~~
23 ~~entity that will develop and administer the program or~~
24 ~~with developers and shall also include contracts for~~
25 ~~renewable energy credits related to the program. A~~
26 ~~project proposed by a utility that is implemented~~

1 ~~under this subparagraph (D) shall not be included in~~
2 ~~the utility's ratebase.~~

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

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

1 project and reap benefits from the project over and
2 above energy bill savings. The Agency may consider the
3 inclusion of projects that promote ownership over time
4 or that involve partial project ownership by
5 communities, as promoting energy sovereignty.
6 Incentives for projects that promote energy
7 sovereignty may be higher than incentives for
8 equivalent projects that do not promote energy
9 sovereignty under this same program.

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

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

1 supporting that additional program versus supporting
2 programs already authorized.

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

1 ~~assignment of~~ all renewable energy credits generated by
2 the system during the first 15 years of operation and
3 shall be structured to overcome barriers to participation
4 in the solar market by the low-income community. The
5 incentives provided for in this Section may be implemented
6 through the pricing of renewable energy credits where the
7 prices paid for the credits are higher than the prices
8 from programs offered under subsection (c) of Section 1-75
9 of this Act to account for the additional capital
10 necessary to successfully access targeted market segments
11 ~~incentives. The Agency shall ensure collaboration with~~
12 ~~community agencies, and allocate up to 5% of the funds~~
13 ~~available under the Illinois Solar for All Program to~~
14 ~~community based groups to assist in grassroots education~~
15 ~~efforts related to the Illinois Solar for All Program.~~ The
16 Agency or contracting electric utility shall retire any
17 renewable energy credits purchased under ~~from~~ this program
18 and the credits shall count towards the obligation under
19 subsection (c) of Section 1-75 of this Act for the
20 electric utility to which the project is interconnected,
21 if applicable.

22 The Agency shall direct that up to 5% of the funds
23 available under the Illinois Solar for All Program to
24 community-based groups and other qualifying organizations
25 to assist in community-driven education efforts related to
26 the Illinois Solar for All Program, including general

1 energy education, job training program outreach efforts,
2 and other activities deemed to be qualified by the Agency.
3 Grassroots education funding shall not be used to support
4 the marketing by solar project development firms and
5 organizations, unless such education provides equal
6 opportunities for all applicable firms and organizations.

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

1 low-income solar has developed. Following the Commission's
2 approval of the Illinois Solar for All Program, the Agency
3 or a party may propose adjustments to the program terms,
4 conditions, and requirements, including the price offered
5 to new systems, to ensure the long-term viability and
6 success of the program. The Commission shall review and
7 approve any modifications to the program through the plan
8 revision process described in Section 16-111.5 of the
9 Public Utilities Act.

10 (5) The Agency shall issue a request for
11 qualifications for a third-party program administrator or
12 administrators to administer all or a portion of the
13 Illinois Solar for All Program. The third-party program
14 administrator shall be chosen through a competitive bid
15 process based on selection criteria and requirements
16 developed by the Agency, including, but not limited to,
17 experience in administering low-income energy programs and
18 overseeing statewide clean energy or energy efficiency
19 services. If the Agency retains a program administrator or
20 administrators to implement all or a portion of the
21 Illinois Solar for All Program, each administrator shall
22 periodically submit reports to the Agency and Commission
23 for each program that it administers, at appropriate
24 intervals to be identified by the Agency in its long-term
25 renewable resources procurement plan, provided that the
26 reporting interval is at least quarterly. The third-party

1 program administrator may be, but need not be, the same
2 administrator as for the Adjustable Block program
3 described in subparagraphs (K) through (M) of paragraph
4 (1) of subsection (c) of Section 1-75. The Agency, through
5 its long-term renewable resources procurement plan
6 approval process, shall also determine if individual
7 subprograms of the Illinois Solar for All Program are
8 better served by a different or separate Program
9 Administrator.

10 The third-party administrator's responsibilities
11 shall also include facilitating placement for graduates of
12 Illinois-based renewable energy-specific job training
13 programs, including the Clean Jobs Workforce Network
14 Program and the Illinois Climate Works Preapprenticeship
15 Program administered by the Department of Commerce and
16 Economic Opportunity and programs administered under
17 Section 16-108.12 of the Public Utilities Act. To increase
18 the uptake of trainees by participating firms, the
19 administrator shall also develop a web-based clearinghouse
20 for information available to both job training program
21 graduates and firms participating, directly or indirectly,
22 in Illinois solar incentive programs. The program
23 administrator shall also coordinate its activities with
24 entities implementing electric and natural gas
25 income-qualified energy efficiency programs, including
26 customer referrals to and from such programs, and connect

1 prospective low-income solar customers with any existing
2 deferred maintenance programs where applicable.

3 (6) The long-term renewable resources procurement plan
4 shall also provide for an independent evaluation of the
5 Illinois Solar for All Program. At least every 2 years,
6 the Agency shall select an independent evaluator to review
7 and report on the Illinois Solar for All Program and the
8 performance of the third-party program administrator of
9 the Illinois Solar for All Program. The evaluation shall
10 be based on objective criteria developed through a public
11 stakeholder process. The process shall include feedback
12 and participation from Illinois Solar for All Program
13 stakeholders, including participants and organizations in
14 environmental justice and historically underserved
15 communities. The report shall include a summary of the
16 evaluation of the Illinois Solar for All Program based on
17 the stakeholder developed objective criteria. The report
18 shall include the number of projects installed; the total
19 installed capacity in kilowatts; the average cost per
20 kilowatt of installed capacity to the extent reasonably
21 obtainable by the Agency; the number of jobs or job
22 opportunities created; economic, social, and environmental
23 benefits created; and the total administrative costs
24 expended by the Agency and program administrator to
25 implement and evaluate the program. The report shall be
26 delivered to the Commission and posted on the Agency's

1 website, and shall be used, as needed, to revise the
2 Illinois Solar for All Program. The Commission shall also
3 consider the results of the evaluation as part of its
4 review of the long-term renewable resources procurement
5 plan under subsection (c) of Section 1-75 of this Act.

6 (7) If additional funding for the programs described
7 in this subsection (b) is available under subsection (k)
8 of Section 16-108 of the Public Utilities Act, then the
9 Agency shall submit a procurement plan to the Commission
10 no later than September 1, 2018, that proposes how the
11 Agency will procure programs on behalf of the applicable
12 utility. After notice and hearing, the Commission shall
13 approve, or approve with modification, the plan no later
14 than November 1, 2018.

15 (8) As part of the development and update of the
16 long-term renewable resources procurement plan authorized
17 by subsection (c) of Section 1-75 of this Act, the Agency
18 shall plan for: (A) actions to refer customers from the
19 Illinois Solar for All Program to electric and natural gas
20 income-qualified energy efficiency programs, and vice
21 versa, with the goal of increasing participation in both
22 of these programs; (B) effective procedures for data
23 sharing, as needed, to effectuate referrals between the
24 Illinois Solar for All Program and both electric and
25 natural gas income-qualified energy efficiency programs,
26 including sharing customer information directly with the

1 utilities, as needed and appropriate; and (C) efforts to
2 identify any existing deferred maintenance programs for
3 which prospective Solar for All Program customers may be
4 eligible and connect prospective customers for whom
5 deferred maintenance is or may be a barrier to solar
6 installation to those programs.

7 As used in this subsection (b), "low-income households"
8 means persons and families whose income does not exceed 80% of
9 area median income, adjusted for family size and revised every
10 5 years.

11 For the purposes of this subsection (b), the Agency shall
12 define "environmental justice community" based on the
13 methodologies and findings established by the Agency and the
14 Administrator for the Illinois Solar for All Program in its
15 initial long-term renewable resources procurement plan and as
16 updated by the Agency and the Administrator for the Illinois
17 Solar for All Program as part of the long-term renewable
18 resources procurement plan update development, to ensure, to
19 the extent practicable, compatibility with other agencies'
20 definitions and may, for guidance, look to the definitions
21 used by federal, state, or local governments.

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

1 (b-10) After the receipt of all payments required by
2 Section 16-115D of the Public Utilities Act and payment in
3 full of all contracts executed by the Agency under subsections
4 (b) and (i) of this Section, if the balance of the Illinois
5 Power Agency Renewable Energy Resources Fund is under \$5,000,
6 then the Fund shall be inoperative and any remaining funds and
7 any funds submitted to the Fund after that date, shall be
8 transferred to the Supplemental Low-Income Energy Assistance
9 Fund for use in the Low-Income Home Energy Assistance Program,
10 as authorized by the Energy Assistance Act.

11 (c) (Blank).

12 (d) (Blank).

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

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

21 (g) All disbursements from the Illinois Power Agency
22 Renewable Energy Resources Fund shall be made only upon
23 warrants of the Comptroller drawn upon the Treasurer as
24 custodian of the Fund upon vouchers signed by the Director or
25 by the person or persons designated by the Director for that
26 purpose. The Comptroller is authorized to draw the warrant

1 upon vouchers so signed. The Treasurer shall accept all
2 warrants so signed and shall be released from liability for
3 all payments made on those warrants.

4 (h) The Illinois Power Agency Renewable Energy Resources
5 Fund shall not be subject to sweeps, administrative charges,
6 or chargebacks, including, but not limited to, those
7 authorized under Section 8h of the State Finance Act, that
8 would in any way result in the transfer of any funds from this
9 Fund to any other fund of this State or in having any such
10 funds utilized for any purpose other than the express purposes
11 set forth in this Section.

12 (h-5) The Agency may assess fees to each bidder to recover
13 the costs incurred in connection with a procurement process
14 held under this Section. Fees collected from bidders shall be
15 deposited into the Renewable Energy Resources Fund.

16 (i) Supplemental procurement process.

17 (1) Within 90 days after the effective date of this
18 amendatory Act of the 98th General Assembly, the Agency
19 shall develop a one-time supplemental procurement plan
20 limited to the procurement of renewable energy credits, if
21 available, from new or existing photovoltaics, including,
22 but not limited to, distributed photovoltaic generation.
23 Nothing in this subsection (i) requires procurement of
24 wind generation through the supplemental procurement.

25 Renewable energy credits procured from new
26 photovoltaics, including, but not limited to, distributed

1 photovoltaic generation, under this subsection (i) must be
2 procured from devices installed by a qualified person. In
3 its supplemental procurement plan, the Agency shall
4 establish contractually enforceable mechanisms for
5 ensuring that the installation of new photovoltaics is
6 performed by a qualified person.

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

1 an Electronics Technicians Association, International
2 (ETAI) Level 3 PV Installer Certificate; or (iv) an
3 Associate in Applied Science degree from an Illinois
4 Community College Board approved community college program
5 in renewable energy or a distributed generation
6 technology.

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

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

25 The renewable energy credits procured pursuant to the
26 supplemental procurement plan shall be procured using up

1 to \$30,000,000 from the Illinois Power Agency Renewable
2 Energy Resources Fund. The Agency shall not plan to use
3 funds from the Illinois Power Agency Renewable Energy
4 Resources Fund in excess of the monies on deposit in such
5 fund or projected to be deposited into such fund. The
6 supplemental procurement plan shall ensure adequate,
7 reliable, affordable, efficient, and environmentally
8 sustainable renewable energy resources (including credits)
9 at the lowest total cost over time, taking into account
10 any benefits of price stability.

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

1 generation device.

2 In developing the supplemental procurement plan, the
3 Agency shall hold at least one workshop open to the public
4 within 90 days after the effective date of this amendatory
5 Act of the 98th General Assembly and shall consider any
6 comments made by stakeholders or the public. Upon
7 development of the supplemental procurement plan within
8 this 90-day period, copies of the supplemental procurement
9 plan shall be posted and made publicly available on the
10 Agency's and Commission's websites. All interested parties
11 shall have 14 days following the date of posting to
12 provide comment to the Agency on the supplemental
13 procurement plan. All comments submitted to the Agency
14 shall be specific, supported by data or other detailed
15 analyses, and, if objecting to all or a portion of the
16 supplemental procurement plan, accompanied by specific
17 alternative wording or proposals. All comments shall be
18 posted on the Agency's and Commission's websites. Within
19 14 days following the end of the 14-day review period, the
20 Agency shall revise the supplemental procurement plan as
21 necessary based on the comments received and file its
22 revised supplemental procurement plan with the Commission
23 for approval.

24 (2) Within 5 days after the filing of the supplemental
25 procurement plan at the Commission, any person objecting
26 to the supplemental procurement plan shall file an

1 objection with the Commission. Within 10 days after the
2 filing, the Commission shall determine whether a hearing
3 is necessary. The Commission shall enter its order
4 confirming or modifying the supplemental procurement plan
5 within 90 days after the filing of the supplemental
6 procurement plan by the Agency.

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

16 (4) The supplemental procurement process under this
17 subsection (i) shall include each of the following
18 components:

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

26 (B) Procurement monitor. The procurement monitor

1 retained by the Commission pursuant to Section
2 16-111.5 of the Public Utilities Act shall:

3 (i) monitor interactions among the procurement
4 administrator and bidders and suppliers;

5 (ii) monitor and report to the Commission on
6 the progress of the supplemental procurement
7 process;

8 (iii) provide an independent confidential
9 report to the Commission regarding the results of
10 the procurement events;

11 (iv) assess compliance with the procurement
12 plan approved by the Commission for the
13 supplemental procurement process;

14 (v) preserve the confidentiality of supplier
15 and bidding information in a manner consistent
16 with all applicable laws, rules, regulations, and
17 tariffs;

18 (vi) provide expert advice to the Commission
19 and consult with the procurement administrator
20 regarding issues related to procurement process
21 design, rules, protocols, and policy-related
22 matters;

23 (vii) consult with the procurement
24 administrator regarding the development and use of
25 benchmark criteria, standard form contracts,
26 credit policies, and bid documents; and

1 (viii) perform, with respect to the
2 supplemental procurement process, any other
3 procurement monitor duties specifically delineated
4 within subsection (i) of this Section.

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

25 (D) Standard contract forms and credit terms and
26 instruments. The procurement administrator, in

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

1 (E) Requests for proposals; competitive
2 procurement process. The procurement administrator
3 shall design and issue requests for proposals to
4 supply renewable energy credits in accordance with the
5 supplemental procurement plan, as approved by the
6 Commission. The requests for proposals shall set forth
7 a procedure for sealed, binding commitment bidding
8 with pay-as-bid settlement, and provision for
9 selection of bids on the basis of price, provided,
10 however, that no bid shall be accepted if it exceeds
11 the benchmark developed pursuant to item (F) of this
12 paragraph (4).

13 (F) Benchmarks. Benchmarks for each product to be
14 procured shall be developed by the procurement
15 administrator in consultation with Commission staff,
16 the Agency, and the procurement monitor for use in
17 this supplemental procurement.

18 (G) A plan for implementing contingencies in the
19 event of supplier default, Commission rejection of
20 results, or any other cause.

21 (5) Within 2 business days after opening the sealed
22 bids, the procurement administrator shall submit a
23 confidential report to the Commission. The report shall
24 contain the results of the bidding for each of the
25 products along with the procurement administrator's
26 recommendation for the acceptance and rejection of bids

1 based on the price benchmark criteria and other factors
2 observed in the process. The procurement monitor also
3 shall submit a confidential report to the Commission
4 within 2 business days after opening the sealed bids. The
5 report shall contain the procurement monitor's assessment
6 of bidder behavior in the process as well as an assessment
7 of the procurement administrator's compliance with the
8 procurement process and rules. The Commission shall review
9 the confidential reports submitted by the procurement
10 administrator and procurement monitor and shall accept or
11 reject the recommendations of the procurement
12 administrator within 2 business days after receipt of the
13 reports.

14 (6) Within 3 business days after the Commission
15 decision approving the results of a procurement event, the
16 Agency shall enter into binding contractual arrangements
17 with the winning suppliers using the standard form
18 contracts.

19 (7) The names of the successful bidders and the
20 average of the winning bid prices for each contract type
21 and for each contract term shall be made available to the
22 public within 2 days after the supplemental procurement
23 event. The Commission, the procurement monitor, the
24 procurement administrator, the Agency, and all
25 participants in the procurement process shall maintain the
26 confidentiality of all other supplier and bidding

1 information in a manner consistent with all applicable
2 laws, rules, regulations, and tariffs. Confidential
3 information, including the confidential reports submitted
4 by the procurement administrator and procurement monitor
5 pursuant to this Section, shall not be made publicly
6 available and shall not be discoverable by any party in
7 any proceeding, absent a compelling demonstration of need,
8 nor shall those reports be admissible in any proceeding
9 other than one for law enforcement purposes.

10 (8) The supplemental procurement provided in this
11 subsection (i) shall not be subject to the requirements
12 and limitations of subsections (c) and (d) of this
13 Section.

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

26 (Source: P.A. 98-672, eff. 6-30-14; 99-906, eff. 6-1-17.)

1 (20 ILCS 3855/1-70)

2 Sec. 1-70. Agency officials.

3 (a) The Agency shall have a Director who meets the
4 qualifications specified in Section 5-222 of the Civil
5 Administrative Code of Illinois.

6 (b) Within the Illinois Power Agency, the Agency shall
7 establish a Planning and Procurement Bureau and may establish
8 a Resource Development Bureau. Each Bureau shall report to the
9 Director.

10 (c) The Chief of the Planning and Procurement Bureau shall
11 be appointed by the Director, at the Director's sole
12 discretion, and (i) shall have at least 5 years of direct
13 experience in electricity supply planning and procurement and
14 (ii) shall also hold an advanced degree in risk management,
15 law, business, or a related field.

16 (d) The Chief of the Resource Development Bureau may be
17 appointed by the Director and (i) shall have at least 5 years
18 of direct experience in electric generating project
19 development and (ii) shall also hold an advanced degree in
20 economics, engineering, law, business, or a related field.

21 (e) For terms ending before December 31, 2019, the
22 Director shall receive an annual salary of \$100,000 or as set
23 by the Executive Ethics Commission based on a review of
24 comparable State agency director salaries, whichever is
25 higher. No annual salary for the Director or a Bureau Chief

1 shall exceed the amount of salary set by law for the Governor
2 that is in effect on July 1 of that fiscal year. Compensation
3 ~~Review Board, whichever is higher. For terms ending before~~
4 ~~December 31, 2019, the Bureau Chiefs shall each receive an~~
5 ~~annual salary of \$85,000 or as set by the Compensation Review~~
6 ~~Board, whichever is higher. For terms beginning after the~~
7 ~~effective date of this amendatory Act of the 100th General~~
8 ~~Assembly, the annual salaries for the Director and the Bureau~~
9 ~~Chiefs shall be an amount equal to 15% more than the respective~~
10 ~~position's annual salary as of December 31, 2018. The~~
11 ~~calculation of the 2018 salary base for this adjustment shall~~
12 ~~not include any cost of living adjustments, as authorized by~~
13 ~~Senate Joint Resolution 192 of the 86th General Assembly, for~~
14 ~~the period beginning July 1, 2009 to June 30, 2019. Beginning~~
15 ~~July 1, 2019 and each July 1 thereafter, the Director and the~~
16 ~~Bureau Chiefs shall receive an increase in salary based on a~~
17 ~~cost of living adjustment as authorized by Senate Joint~~
18 ~~Resolution 192 of the 86th General Assembly.~~

19 (f) The Director and Bureau Chiefs shall not, for 2 years
20 prior to appointment or for 2 years after he or she leaves his
21 or her position, be employed by an electric utility,
22 independent power producer, power marketer, or alternative
23 retail electric supplier regulated by the Commission or the
24 Federal Energy Regulatory Commission.

25 (g) The Director and Bureau Chiefs are prohibited from:
26 (i) owning, directly or indirectly, 5% or more of the voting

1 capital stock of an electric utility, independent power
2 producer, power marketer, or alternative retail electric
3 supplier; (ii) being in any chain of successive ownership of
4 5% or more of the voting capital stock of any electric utility,
5 independent power producer, power marketer, or alternative
6 retail electric supplier; (iii) receiving any form of
7 compensation, fee, payment, or other consideration from an
8 electric utility, independent power producer, power marketer,
9 or alternative retail electric supplier, including legal fees,
10 consulting fees, bonuses, or other sums. These limitations do
11 not apply to any compensation received pursuant to a defined
12 benefit plan or other form of deferred compensation, provided
13 that the individual has otherwise severed all ties to the
14 utility, power producer, power marketer, or alternative retail
15 electric supplier.

16 (Source: P.A. 99-536, eff. 7-8-16; 100-1179, eff. 1-18-19.)

17 (20 ILCS 3855/1-75)

18 Sec. 1-75. Planning and Procurement Bureau. The Planning
19 and Procurement Bureau has the following duties and
20 responsibilities:

21 (a) The Planning and Procurement Bureau shall each year,
22 beginning in 2008, develop procurement plans and conduct
23 competitive procurement processes in accordance with the
24 requirements of Section 16-111.5 of the Public Utilities Act
25 for the eligible retail customers of electric utilities that

1 on December 31, 2005 provided electric service to at least
2 100,000 customers in Illinois. Beginning with the delivery
3 year commencing on June 1, 2017, the Planning and Procurement
4 Bureau shall develop plans and processes for the procurement
5 of zero emission credits from zero emission facilities in
6 accordance with the requirements of subsection (d-5) of this
7 Section. Beginning on the effective date of this amendatory
8 Act of the 102nd General Assembly, the Planning and
9 Procurement Bureau shall develop plans and processes for the
10 procurement of carbon mitigation credits from carbon-free
11 energy resources in accordance with the requirements of
12 subsection (d-10) of this Section. The Planning and
13 Procurement Bureau shall also develop procurement plans and
14 conduct competitive procurement processes in accordance with
15 the requirements of Section 16-111.5 of the Public Utilities
16 Act for the eligible retail customers of small
17 multi-jurisdictional electric utilities that (i) on December
18 31, 2005 served less than 100,000 customers in Illinois and
19 (ii) request a procurement plan for their Illinois
20 jurisdictional load. This Section shall not apply to a small
21 multi-jurisdictional utility until such time as a small
22 multi-jurisdictional utility requests the Agency to prepare a
23 procurement plan for their Illinois jurisdictional load. For
24 the purposes of this Section, the term "eligible retail
25 customers" has the same definition as found in Section
26 16-111.5(a) of the Public Utilities Act.

1 Beginning with the plan or plans to be implemented in the
2 2017 delivery year, the Agency shall no longer include the
3 procurement of renewable energy resources in the annual
4 procurement plans required by this subsection (a), except as
5 provided in subsection (q) of Section 16-111.5 of the Public
6 Utilities Act, and shall instead develop a long-term renewable
7 resources procurement plan in accordance with subsection (c)
8 of this Section and Section 16-111.5 of the Public Utilities
9 Act.

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

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

25 (A) direct previous experience assembling
26 large-scale power supply plans or portfolios for

1 end-use customers;

2 (B) an advanced degree in economics, mathematics,
3 engineering, risk management, or a related area of
4 study;

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

7 (D) expertise in wholesale electricity market
8 rules, including those established by the Federal
9 Energy Regulatory Commission and regional transmission
10 organizations;

11 (E) expertise in credit protocols and familiarity
12 with contract protocols;

13 (F) adequate resources to perform and fulfill the
14 required functions and responsibilities; and

15 (G) the absence of a conflict of interest and
16 inappropriate bias for or against potential bidders or
17 the affected electric utilities.

18 (2) The Agency shall each year, as needed, issue a
19 request for qualifications for a procurement administrator
20 to conduct the competitive procurement processes in
21 accordance with Section 16-111.5 of the Public Utilities
22 Act. In order to qualify an expert or expert consulting
23 firm must have:

24 (A) direct previous experience administering a
25 large-scale competitive procurement process;

26 (B) an advanced degree in economics, mathematics,

1 engineering, or a related area of study;

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

4 (D) expertise in wholesale electricity market
5 rules, including those established by the Federal
6 Energy Regulatory Commission and regional transmission
7 organizations;

8 (E) expertise in credit and contract protocols;

9 (F) adequate resources to perform and fulfill the
10 required functions and responsibilities; and

11 (G) the absence of a conflict of interest and
12 inappropriate bias for or against potential bidders or
13 the affected electric utilities.

14 (3) The Agency shall provide affected utilities and
15 other interested parties with the lists of qualified
16 experts or expert consulting firms identified through the
17 request for qualifications processes that are under
18 consideration to develop the procurement plans and to
19 serve as the procurement administrator. The Agency shall
20 also provide each qualified expert's or expert consulting
21 firm's response to the request for qualifications. All
22 information provided under this subparagraph shall also be
23 provided to the Commission. The Agency may provide by rule
24 for fees associated with supplying the information to
25 utilities and other interested parties. These parties
26 shall, within 5 business days, notify the Agency in

1 writing if they object to any experts or expert consulting
2 firms on the lists. Objections shall be based on:

3 (A) failure to satisfy qualification criteria;

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

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

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

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

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

25 (6) The Agency shall select an expert or expert
26 consulting firm, with approval of the Commission, to serve

1 as procurement administrator based on the proposals
2 submitted. If the Commission rejects, within 5 days, the
3 Agency's selection, the Agency shall submit another
4 recommendation within 3 days based on the proposals
5 submitted. The Agency shall award a 5-year contract to the
6 expert or expert consulting firm so selected with
7 Commission approval.

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

22 (c) Renewable portfolio standard.

23 (1) (A) The Agency shall develop a long-term renewable
24 resources procurement plan that shall include procurement
25 programs and competitive procurement events necessary to
26 meet the goals set forth in this subsection (c). The

1 initial long-term renewable resources procurement plan
2 shall be released for comment no later than 160 days after
3 June 1, 2017 (the effective date of Public Act 99-906).
4 The Agency shall review, and may revise on an expedited
5 basis, the long-term renewable resources procurement plan
6 at least every 2 years, which shall be conducted in
7 conjunction with the procurement plan under Section
8 16-111.5 of the Public Utilities Act to the extent
9 practicable to minimize administrative expense. No later
10 than 120 days after the effective date of this amendatory
11 Act of the 102nd General Assembly, the Agency shall
12 release for comment a revision to the long-term renewable
13 resources procurement plan, updating elements of the most
14 recently approved plan as needed to comply with this
15 amendatory Act of the 102nd General Assembly, and any
16 long-term renewable resources procurement plan update
17 published by the Agency but not yet approved by the
18 Illinois Commerce Commission shall be withdrawn. The
19 long-term renewable resources procurement plans shall be
20 subject to review and approval by the Commission under
21 Section 16-111.5 of the Public Utilities Act.

22 (B) Subject to subparagraph (F) of this paragraph (1),
23 the long-term renewable resources procurement plan shall
24 attempt to meet ~~include~~ the goals for procurement of
25 renewable energy credits at levels of ~~to meet~~ at least the
26 following overall percentages: 13% by the 2017 delivery

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

23 For the delivery year beginning June 1, 2017, the
24 procurement plan shall attempt to include, subject to the
25 prioritization outlined in this subparagraph (B),
26 cost-effective renewable energy resources equal to at

1 least 13% of each utility's load for eligible retail
2 customers and 13% of the applicable portion of each
3 utility's load for retail customers who are not eligible
4 retail customers, which applicable portion shall equal 50%
5 of the utility's load for retail customers who are not
6 eligible retail customers on February 28, 2017.

7 For the delivery year beginning June 1, 2018, the
8 procurement plan shall attempt to include, subject to the
9 prioritization outlined in this subparagraph (B),
10 cost-effective renewable energy resources equal to at
11 least 14.5% of each utility's load for eligible retail
12 customers and 14.5% of the applicable portion of each
13 utility's load for retail customers who are not eligible
14 retail customers, which applicable portion shall equal 75%
15 of the utility's load for retail customers who are not
16 eligible retail customers on February 28, 2017.

17 For the delivery year beginning June 1, 2019, and for
18 each year thereafter, the procurement plans shall attempt
19 to include, subject to the prioritization outlined in this
20 subparagraph (B), cost-effective renewable energy
21 resources equal to a minimum percentage of each utility's
22 load for all retail customers as follows: 16% by June 1,
23 2019; increasing by 1.5% each year thereafter to 25% by
24 June 1, 2025; and 25% by June 1, 2026; increasing by at
25 least 3% each delivery year thereafter to at least 40% by
26 the 2030 delivery year, and continuing at no less than 40%

1 for each delivery year thereafter. The Agency shall
2 attempt to procure 50% by delivery year 2040. The Agency
3 shall determine the annual increase between delivery year
4 2030 and delivery year 2040, if any, taking into account
5 energy demand, other energy resources, and other public
6 policy goals.

7 For each delivery year, the Agency shall first
8 recognize each utility's obligations for that delivery
9 year under existing contracts. Any renewable energy
10 credits under existing contracts, including renewable
11 energy credits as part of renewable energy resources,
12 shall be used to meet the goals set forth in this
13 subsection (c) for the delivery year.

14 ~~(C) Of the renewable energy credits procured under~~
15 ~~this subsection (c), at least 75% shall come from wind and~~
16 ~~photovoltaic projects.~~ The long-term renewable resources
17 procurement plan described in subparagraph (A) of this
18 paragraph (1) shall include the procurement of renewable
19 energy credits from new projects in amounts equal to at
20 least the following:

21 (i) 10,000,000 renewable energy credits delivered
22 annually by the end of the 2021 delivery year, and
23 increasing ratably to reach 45,000,000 renewable
24 energy credits delivered annually from new wind and
25 solar projects by the end of delivery year 2030 such
26 that the goals in subparagraph (B) of this paragraph

1 (1) are met entirely by procurements of renewable
2 energy credits from new wind and photovoltaic
3 projects. Of ~~By the end of the 2020 delivery year: At~~
4 ~~least 2,000,000 renewable energy credits for each~~
5 ~~delivery year shall come from new wind projects; and~~
6 ~~At least 2,000,000 renewable energy credits for each~~
7 ~~delivery year shall come from new photovoltaic~~
8 ~~projects; of that amount, to the extent possible, the~~
9 Agency shall procure 45% from wind projects and 55%
10 from photovoltaic projects. Of the amount to be
11 procured from photovoltaic projects, the Agency shall
12 procure: at least 50% from solar photovoltaic projects
13 using the program outlined in subparagraph (K) of this
14 paragraph (1) from distributed renewable energy
15 generation devices or community renewable generation
16 projects; at least 47% ~~40%~~ from utility-scale solar
17 projects; at least 3% ~~2%~~ from brownfield site
18 photovoltaic projects that are not community renewable
19 generation projects; ~~and the remainder shall be~~
20 ~~determined through the long-term planning process~~
21 ~~described in subparagraph (A) of this paragraph (1).~~

22 In developing the long-term renewable resources
23 procurement plan, the Agency shall consider other
24 approaches, in addition to competitive procurements,
25 that can be used to procure renewable energy credits
26 from brownfield site photovoltaic projects and thereby

1 help return blighted or contaminated land to
2 productive use while enhancing public health and the
3 well-being of Illinois residents, including those in
4 environmental justice communities, as defined using
5 existing methodologies and findings used by the Agency
6 and its Administrator in its Illinois Solar for All
7 Program.

8 (ii) In any given delivery year, if forecasted
9 expenses are less than the maximum budget available
10 under subparagraph (E) of this paragraph (1), the
11 Agency shall continue to procure new renewable energy
12 credits until that budget is exhausted in the manner
13 outlined in item (i) of this subparagraph (C). By the
14 end of the 2025 delivery year:

15 ~~At least 3,000,000 renewable energy credits~~
16 ~~for each delivery year shall come from new wind~~
17 ~~projects; and~~

18 ~~At least 3,000,000 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 ~~(iii) By the end of the 2030 delivery year:~~

8 ~~At least 4,000,000 renewable energy credits~~
9 ~~for each delivery year shall come from new wind~~
10 ~~projects; and~~

11 ~~At least 4,000,000 renewable energy credits~~
12 ~~for each delivery year shall come from new~~
13 ~~photovoltaic projects; of that amount, to the~~
14 ~~extent possible, the Agency shall procure: at~~
15 ~~least 50% from solar photovoltaic projects using~~
16 ~~the program outlined in subparagraph (K) of this~~
17 ~~paragraph (1) from distributed renewable energy~~
18 ~~devices or community renewable generation~~
19 ~~projects; at least 40% from utility scale solar~~
20 ~~projects; at least 2% from brownfield site~~
21 ~~photovoltaic projects that are not community~~
22 ~~renewable generation projects; and the remainder~~
23 ~~shall be determined through the long term planning~~
24 ~~process described in subparagraph (A) of this~~
25 ~~paragraph (1).~~

26 (iii) For purposes of this Section:

1 "New wind projects" means wind renewable energy
2 facilities that are energized after June 1, 2017 for
3 the delivery year commencing June 1, 2017 ~~or within 3~~
4 ~~years after the date the Commission approves contracts~~
5 ~~for subsequent delivery years.~~

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

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

24 (D) Renewable energy credits shall be cost effective.
25 For purposes of this subsection (c), "cost effective"
26 means that the costs of procuring renewable energy

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

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

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

26 Notwithstanding the requirements of this subsection

1 (c), the total of renewable energy resources procured
2 under the procurement plan for any single year shall be
3 subject to the limitations of this subparagraph (E). Such
4 procurement shall be reduced for all retail customers
5 based on the amount necessary to limit the annual
6 estimated average net increase due to the costs of these
7 resources included in the amounts paid by eligible retail
8 customers in connection with electric service to no more
9 than 4.25% ~~the greater of 2.015%~~ of the amount paid per
10 kilowatthour by those customers during the year ending May
11 31, 2009 ~~2007~~ ~~or the incremental amount per kilowatthour~~
12 ~~paid for these resources in 2011~~. To arrive at a maximum
13 dollar amount of renewable energy resources to be procured
14 for the particular delivery year, the resulting per
15 kilowatthour amount shall be applied to the actual amount
16 of kilowatthours of electricity delivered, or applicable
17 portion of such amount as specified in paragraph (1) of
18 this subsection (c), as applicable, by the electric
19 utility in the delivery year immediately prior to the
20 procurement to all retail customers in its service
21 territory. The calculations required by this subparagraph
22 (E) shall be made only once for each delivery year at the
23 time that the renewable energy resources are procured.
24 Once the determination as to the amount of renewable
25 energy resources to procure is made based on the
26 calculations set forth in this subparagraph (E) and the

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

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

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

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

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

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

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

1 this subsection (c):

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

25 (ii) Notwithstanding whether a long-term renewable
26 resources procurement plan has been approved, the

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

26 (iii) Notwithstanding whether the Commission has

1 approved the periodic long-term renewable resources
2 procurement plan revision described in Section
3 16-111.5 of the Public Utilities Act, the Agency shall
4 conduct at least one subsequent forward procurement
5 for renewable energy credits from new utility-scale
6 wind projects, new utility-scale solar projects, and
7 new brownfield site photovoltaic projects within 240
8 days after the effective date of this amendatory Act
9 of the 102nd General Assembly in quantities necessary
10 to meet the requirements of subparagraph (C) of this
11 paragraph (1) through the delivery year beginning June
12 1, 2021. ~~Subsequent forward procurements for~~
13 ~~utility-scale wind projects shall solicit at least~~
14 ~~1,000,000 renewable energy credits delivered annually~~
15 ~~per procurement event and shall be planned, scheduled,~~
16 ~~and designed such that the cumulative amount of~~
17 ~~renewable energy credits delivered from all new wind~~
18 ~~projects in each delivery year shall not exceed the~~
19 ~~Agency's projection of the cumulative amount of~~
20 ~~renewable energy credits that will be delivered from~~
21 ~~all new photovoltaic projects, including utility-scale~~
22 ~~and distributed photovoltaic devices, in the same~~
23 ~~delivery year at the time scheduled for wind contract~~
24 ~~delivery.~~

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

1 procurement plan revision described in Section
2 16-111.5 of the Public Utilities Act, the Agency shall
3 open capacity for each category in the Adjustable
4 Block program within 90 days after the effective date
5 of this amendatory Act of the 102nd General Assembly
6 manner:

7 (1) The Agency shall open the first block of
8 annual capacity for the category described in item
9 (i) of subparagraph (K) of this paragraph (1). The
10 first block of annual capacity for item (i) shall
11 be for at least 75 megawatts of total nameplate
12 capacity. The price of the renewable energy credit
13 for this block of capacity shall be 4% less than
14 the price of the last open block in this category.
15 Projects on a waitlist shall be awarded contracts
16 first in the order in which they appear on the
17 waitlist. Notwithstanding anything to the
18 contrary, for those renewable energy credits that
19 qualify and are procured under this subitem (1) of
20 this item (iv), the renewable energy credit
21 delivery contract value shall be paid in full,
22 based on the estimated generation during the first
23 15 years of operation, by the contracting
24 utilities at the time that the facility producing
25 the renewable energy credits is interconnected at
26 the distribution system level of the utility and

1 verified as energized and in compliance by the
2 Program Administrator. The electric utility shall
3 receive and retire all renewable energy credits
4 generated by the project for the first 15 years of
5 operation. Renewable energy credits generated by
6 the project thereafter shall not be transferred
7 under the renewable energy credit delivery
8 contract with the counterparty electric utility.

9 (2) The Agency shall open the first block of
10 annual capacity for the category described in item
11 (ii) of subparagraph (K) of this paragraph (1).
12 The first block of annual capacity for item (ii)
13 shall be for at least 75 megawatts of total
14 nameplate capacity.

15 (A) The price of the renewable energy
16 credit for any project on a waitlist for this
17 category before the opening of this block
18 shall be 4% less than the price of the last
19 open block in this category. Projects on the
20 waitlist shall be awarded contracts first in
21 the order in which they appear on the
22 waitlist. Any projects that are less than or
23 equal to 25 kilowatts in size on the waitlist
24 for this capacity shall be moved to the
25 waitlist for paragraph (1) of this item (iv).
26 Notwithstanding anything to the contrary,

1 projects that were on the waitlist prior to
2 opening of this block shall not be required to
3 be in compliance with the requirements of
4 subparagraph (Q) of this paragraph (1) of this
5 subsection (c). Notwithstanding anything to
6 the contrary, for those renewable energy
7 credits procured from projects that were on
8 the waitlist for this category before the
9 opening of this block 20% of the renewable
10 energy credit delivery contract value, based
11 on the estimated generation during the first
12 15 years of operation, shall be paid by the
13 contracting utilities at the time that the
14 facility producing the renewable energy
15 credits is interconnected at the distribution
16 system level of the utility and verified as
17 energized by the Program Administrator. The
18 remaining portion shall be paid ratably over
19 the subsequent 4-year period. The electric
20 utility shall receive and retire all renewable
21 energy credits generated by the project during
22 the first 15 years of operation. Renewable
23 energy credits generated by the project
24 thereafter shall not be transferred under the
25 renewable energy credit delivery contract with
26 the counterparty electric utility.

1 (B) The price of renewable energy credits
2 for any project not on the waitlist for this
3 category before the opening of the block shall
4 be determined and published by the Agency.
5 Projects not on a waitlist as of the opening
6 of this block shall be subject to the
7 requirements of subparagraph (Q) of this
8 paragraph (1), as applicable. Projects not on
9 a waitlist as of the opening of this block
10 shall be subject to the contract provisions
11 outlined in item (iii) of subparagraph (L) of
12 this paragraph (1). The Agency shall strive to
13 publish updated prices and an updated
14 renewable energy credit delivery contract as
15 quickly as possible.

16 (3) For opening the first 2 blocks of annual
17 capacity for projects participating in item (iii)
18 of subparagraph (K) of paragraph (1) of subsection
19 (c), projects shall be selected exclusively from
20 those projects on the ordinal waitlists of
21 community renewable generation projects
22 established by the Agency based on the status of
23 those ordinal waitlists as of December 31, 2020,
24 and only those projects previously determined to
25 be eligible for the Agency's April 2019 community
26 solar project selection process.

1 The first 2 blocks of annual capacity for item
2 (iii) shall be for 250 megawatts of total
3 nameplate capacity, with both blocks opening
4 simultaneously under the schedule outlined in the
5 paragraphs below. Projects shall be selected as
6 follows:

7 (A) The geographic balance of selected
8 projects shall follow the Group classification
9 found in the Agency's Revised Long-Term
10 Renewable Resources Procurement Plan, with 70%
11 of capacity allocated to projects on the Group
12 B waitlist and 30% of capacity allocated to
13 projects on the Group A waitlist.

14 (B) Contract awards for waitlisted
15 projects shall be allocated proportionate to
16 the total nameplate capacity amount across
17 both ordinal waitlists associated with that
18 applicant firm or its affiliates, subject to
19 the following conditions.

20 (i) Each applicant firm having a
21 waitlisted project eligible for selection
22 shall receive no less than 500 kilowatts
23 in awarded capacity across all groups, and
24 no approved vendor may receive more than
25 20% of each Group's waitlist allocation.

26 (ii) Each applicant firm, upon

1 receiving an award of program capacity
2 proportionate to its waitlisted capacity,
3 may then determine which waitlisted
4 projects it chooses to be selected for a
5 contract award up to that capacity amount.

6 (iii) Assuming all other program
7 requirements are met, applicant firms may
8 adjust the nameplate capacity of applicant
9 projects without losing waitlist
10 eligibility, so long as no project is
11 greater than 2,000 kilowatts in size.

12 (iv) Assuming all other program
13 requirements are met, applicant firms may
14 adjust the expected production associated
15 with applicant projects, subject to
16 verification by the Program Administrator.

17 (C) After a review of affiliate
18 information and the current ordinal waitlists,
19 the Agency shall announce the nameplate
20 capacity award amounts associated with
21 applicant firms no later than 90 days after
22 the effective date of this amendatory Act of
23 the 102nd General Assembly.

24 (D) Applicant firms shall submit their
25 portfolio of projects used to satisfy those
26 contract awards no less than 90 days after the

1 Agency's announcement. The total nameplate
2 capacity of all projects used to satisfy that
3 portfolio shall be no greater than the
4 Agency's nameplate capacity award amount
5 associated with that applicant firm. An
6 applicant firm may decline, in whole or in
7 part, its nameplate capacity award without
8 penalty, with such unmet capacity rolled over
9 to the next block opening for project
10 selection under item (iii) of subparagraph (K)
11 of this subsection (c). Any projects not
12 included in an applicant firm's portfolio may
13 reapply without prejudice upon the next block
14 reopening for project selection under item
15 (iii) of subparagraph (K) of this subsection
16 (c).

17 (E) The renewable energy credit delivery
18 contract shall be subject to the contract and
19 payment terms outlined in item (iv) of
20 subparagraph (L) of this subsection (c).
21 Contract instruments used for this
22 subparagraph shall contain the following
23 terms:

24 (i) Renewable energy credit prices
25 shall be fixed, without further adjustment
26 under any other provision of this Act or

1 for any other reason, at 10% lower than
2 prices applicable to the last open block
3 for this category, inclusive of any adders
4 available for achieving a minimum of 50%
5 of subscribers to the project's nameplate
6 capacity being residential or small
7 commercial customers with subscriptions of
8 below 25 kilowatts in size;

9 (ii) A requirement that a minimum of
10 50% of subscribers to the project's
11 nameplate capacity be residential or small
12 commercial customers with subscriptions of
13 below 25 kilowatts in size;

14 (iii) Permission for the ability of a
15 contract holder to substitute projects
16 with other waitlisted projects without
17 penalty should a project receive a
18 non-binding estimate of costs to construct
19 the interconnection facilities and any
20 required distribution upgrades associated
21 with that project of greater than 30 cents
22 per watt AC of that project's nameplate
23 capacity. In developing the applicable
24 contract instrument, the Agency may
25 consider whether other circumstances
26 outside of the control of the applicant

1 firm should also warrant project
2 substitution rights.

3 The Agency shall publish a finalized
4 updated renewable energy credit delivery
5 contract developed consistent with these terms
6 and conditions no less than 30 days before
7 applicant firms must submit their portfolio of
8 projects pursuant to item (D).

9 (F) To be eligible for an award, the
10 applicant firm shall certify that not less
11 than prevailing wage, as determined pursuant
12 to the Illinois Prevailing Wage Act, was or
13 will be paid to employees who are engaged in
14 construction activities associated with a
15 selected project.

16 (4) The Agency shall open the first block of
17 annual capacity for the category described in item
18 (iv) of subparagraph (K) of this paragraph (1).
19 The first block of annual capacity for item (iv)
20 shall be for at least 50 megawatts of total
21 nameplate capacity. Renewable energy credit prices
22 shall be fixed, without further adjustment under
23 any other provision of this Act or for any other
24 reason, at the price in the last open block in the
25 category described in item (ii) of subparagraph
26 (K) of this paragraph (1). Pricing for future

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

7 (5) The Agency shall open the equivalent of 2
8 years of annual capacity for the category
9 described in item (v) of subparagraph (K) of this
10 paragraph (1). The first block of annual capacity
11 for item (v) shall be for at least 10 megawatts of
12 total nameplate capacity. Notwithstanding the
13 provisions of item (v) of subparagraph (K) of this
14 paragraph (1), for the purpose of this initial
15 block, the agency shall accept new project
16 applications intended to increase the diversity of
17 areas hosting community solar projects, the
18 business models of projects, and the size of
19 projects, as described by the Agency in its
20 long-term renewable resources procurement plan
21 that is approved as of the effective date of this
22 amendatory Act of the 102nd General Assembly.
23 Projects in this category shall be subject to the
24 contract terms outlined in item (iii) of
25 subsection (L) of this paragraph (1).

26 (6) The Agency shall open the first blocks of

1 annual capacity for the category described in item
2 (vi) of subparagraph (K) of this paragraph (1),
3 with allocations of capacity within the block
4 generally matching the historical share of block
5 capacity allocated between the category described
6 in items (i) and (ii) of subparagraph (K) of this
7 paragraph (1). The first two blocks of annual
8 capacity for item (vi) shall be for at least 75
9 megawatts of total nameplate capacity. The price
10 of renewable energy credits for the blocks of
11 capacity shall be 4% less than the price of the
12 last open blocks in the categories described in
13 items (i) and (ii) of subparagraph (K) of this
14 paragraph (1). Pricing for future blocks of annual
15 capacity for this category may be adjusted in the
16 Agency's second revision to its Long-Term
17 Renewable Resources Procurement Plan. Projects in
18 this category shall be subject to the applicable
19 contract terms outlined in items (ii) and (iii) of
20 subparagraph (L) of this paragraph (1). ~~If, at any~~
21 time after the time set for delivery of renewable
22 energy credits pursuant to the initial
23 procurements in items (i) and (ii) of this
24 subparagraph (G), the cumulative amount of
25 renewable energy credits projected to be delivered
26 from all new wind projects in a given delivery

1 ~~year exceeds the cumulative amount of renewable~~
2 ~~energy credits projected to be delivered from all~~
3 ~~new photovoltaic projects in that delivery year by~~
4 ~~200,000 or more renewable energy credits, then the~~
5 ~~Agency shall within 60 days adjust the procurement~~
6 ~~programs in the long term renewable resources~~
7 ~~procurement plan to ensure that the projected~~
8 ~~cumulative amount of renewable energy credits to~~
9 ~~be delivered from all new wind projects does not~~
10 ~~exceed the projected cumulative amount of~~
11 ~~renewable energy credits to be delivered from all~~
12 ~~new photovoltaic projects by 200,000 or more~~
13 ~~renewable energy credits, provided that nothing in~~
14 ~~this Section shall preclude the projected~~
15 ~~cumulative amount of renewable energy credits to~~
16 ~~be delivered from all new photovoltaic projects~~
17 ~~from exceeding the projected cumulative amount of~~
18 ~~renewable energy credits to be delivered from all~~
19 ~~new wind projects in each delivery year and~~
20 ~~provided further that nothing in this item (iv)~~
21 ~~shall require the curtailment of an executed~~
22 ~~contract. The Agency shall update, on a quarterly~~
23 ~~basis, its projection of the renewable energy~~
24 ~~credits to be delivered from all projects in each~~
25 ~~delivery year. Notwithstanding anything to the~~
26 ~~contrary, the Agency may adjust the timing of~~

1 ~~procurement events conducted under this~~
2 ~~subparagraph (G). The long term renewable~~
3 ~~resources procurement plan shall set forth the~~
4 ~~process by which the adjustments may be made.~~

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

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

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

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

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

21 (4) To ensure that indexed renewable energy
22 credit prices remain predictable and affordable,
23 the Agency may consider the institution of a price
24 collar on REC prices paid under indexed renewable
25 energy credit procurements establishing floor and
26 ceiling REC prices applicable to indexed REC

1 contract prices. Any price collars applicable to
2 indexed REC procurements shall be proposed by the
3 Agency through its long-term renewable resources
4 procurement plan.

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

14 (H) The procurement of renewable energy resources for
15 a given delivery year shall be reduced as described in
16 this subparagraph (H) if an alternative retail electric
17 supplier meets the requirements described in this
18 subparagraph (H).

19 (i) Within 45 days after June 1, 2017 (the
20 effective date of Public Act 99-906), an alternative
21 retail electric supplier or its successor shall submit
22 an informational filing to the Illinois Commerce
23 Commission certifying that, as of December 31, 2015,
24 the alternative retail electric supplier owned one or
25 more electric generating facilities that generates
26 renewable energy resources as defined in Section 1-10

1 of this Act, provided that such facilities are not
2 powered by wind or photovoltaics, and the facilities
3 generate one renewable energy credit for each
4 megawatthour of energy produced from the facility.

5 The informational filing shall identify each
6 facility that was eligible to satisfy the alternative
7 retail electric supplier's obligations under Section
8 16-115D of the Public Utilities Act as described in
9 this item (i).

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

16 (iii) The alternative retail electric supplier
17 shall notify the Agency and the applicable utility, no
18 later than February 28 of the year preceding the
19 applicable delivery year or 15 days after June 1, 2017
20 (the effective date of Public Act 99-906), whichever
21 is later, of its election under item (ii) of this
22 subparagraph (H) to supply renewable energy credits to
23 retail customers of the utility. Such election shall
24 identify the amount of renewable energy credits to be
25 supplied by the alternative retail electric supplier
26 to the utility's retail customers and the source of

1 the renewable energy credits identified in the
2 informational filing as described in item (i) of this
3 subparagraph (H), subject to the following
4 limitations:

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

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

1 June 1, 2025, and thereafter the 25% value shall
2 apply to each delivery year.

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

16 If the requirements set forth in items (i) through
17 (iii) of this subparagraph (H) are met, the charges
18 that would otherwise be applicable to the retail
19 customers of the alternative retail electric supplier
20 under paragraph (6) of this subsection (c) for the
21 applicable delivery year shall be reduced by the ratio
22 of the quantity of renewable energy credits supplied
23 by the alternative retail electric supplier compared
24 to that supplier's target renewable energy credit
25 quantity. The supplier's target renewable energy
26 credit quantity for the delivery year beginning June

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

8 On or before April 1 of each year, the Agency shall
9 annually publish a report on its website that
10 identifies the aggregate amount of renewable energy
11 credits supplied by alternative retail electric
12 suppliers under this subparagraph (H).

13 (I) The Agency shall design its long-term renewable
14 energy procurement plan to maximize the State's interest
15 in the health, safety, and welfare of its residents,
16 including but not limited to minimizing sulfur dioxide,
17 nitrogen oxide, particulate matter and other pollution
18 that adversely affects public health in this State,
19 increasing fuel and resource diversity in this State,
20 enhancing the reliability and resiliency of the
21 electricity distribution system in this State, meeting
22 goals to limit carbon dioxide emissions under federal or
23 State law, and contributing to a cleaner and healthier
24 environment for the citizens of this State. In order to
25 further these legislative purposes, renewable energy
26 credits shall be eligible to be counted toward the

1 renewable energy requirements of this subsection (c) if
2 they are generated from facilities located in this State.
3 The Agency may qualify renewable energy credits from
4 facilities located in states adjacent to Illinois or
5 renewable energy credits associated with the electricity
6 generated by a utility-scale wind energy facility or
7 utility-scale photovoltaic facility and transmitted by a
8 qualifying direct current project described in subsection
9 (b-5) of Section 8-406 of the Public Utilities Act to a
10 delivery point on the electric transmission grid located
11 in this State or a state adjacent to Illinois, if the
12 generator demonstrates and the Agency determines that the
13 operation of such facility or facilities will help promote
14 the State's interest in the health, safety, and welfare of
15 its residents based on the public interest criteria
16 described above. For the purposes of this Section,
17 renewable resources that are delivered via a high voltage
18 direct current converter station located in Illinois shall
19 be deemed generated in Illinois at the time and location
20 the energy is converted to alternating current by the high
21 voltage direct current converter station if the high
22 voltage direct current transmission line: (i) after the
23 effective date of this amendatory Act of the 102nd General
24 Assembly, was constructed with a project labor agreement;
25 (ii) is capable of transmitting electricity at 525kv;
26 (iii) has an Illinois converter station located and

1 interconnected in the region of the PJM Interconnection,
2 LLC; (iv) does not operate as a public utility; and (v) if
3 the high voltage direct current transmission line was
4 energized after June 1, 2023. To ensure that the public
5 interest criteria are applied to the procurement and given
6 full effect, the Agency's long-term procurement plan shall
7 describe in detail how each public interest factor shall
8 be considered and weighted for facilities located in
9 states adjacent to Illinois.

10 (J) In order to promote the competitive development of
11 renewable energy resources in furtherance of the State's
12 interest in the health, safety, and welfare of its
13 residents, renewable energy credits shall not be eligible
14 to be counted toward the renewable energy requirements of
15 this subsection (c) if they are sourced from a generating
16 unit whose costs were being recovered through rates
17 regulated by this State or any other state or states on or
18 after January 1, 2017. Each contract executed to purchase
19 renewable energy credits under this subsection (c) shall
20 provide for the contract's termination if the costs of the
21 generating unit supplying the renewable energy credits
22 subsequently begin to be recovered through rates regulated
23 by this State or any other state or states; and each
24 contract shall further provide that, in that event, the
25 supplier of the credits must return 110% of all payments
26 received under the contract. Amounts returned under the

1 requirements of this subparagraph (J) shall be retained by
2 the utility and all of these amounts shall be used for the
3 procurement of additional renewable energy credits from
4 new wind or new photovoltaic resources as defined in this
5 subsection (c). The long-term plan shall provide that
6 these renewable energy credits shall be procured in the
7 next procurement event.

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

23 (K) The long-term renewable resources procurement plan
24 developed by the Agency in accordance with subparagraph
25 (A) of this paragraph (1) shall include an Adjustable
26 Block program for the procurement of renewable energy

1 credits from new photovoltaic projects that are
2 distributed renewable energy generation devices or new
3 photovoltaic community renewable generation projects. The
4 Adjustable Block program shall be generally designed to
5 provide for the steady, predictable, and sustainable
6 growth of new solar photovoltaic development in Illinois.
7 To this end, the Adjustable Block program shall provide a
8 transparent annual schedule of prices and quantities to
9 enable the photovoltaic market to scale up and for
10 renewable energy credit prices to adjust at a predictable
11 rate over time. The prices set by the Adjustable Block
12 program can be reflected as a set value or as the product
13 of a formula.

14 The Adjustable Block program shall include for each
15 category of eligible projects for each delivery year: a
16 single block of nameplate capacity, a price for renewable
17 energy credits within that block, and the terms and
18 conditions for securing a spot on a waitlist once the
19 block is ~~a schedule of standard block purchase prices to~~
20 ~~be offered; a series of steps, with associated nameplate~~
21 ~~capacity and purchase prices that adjust from step to~~
22 ~~step; and automatic opening of the next step as soon as the~~
23 ~~nameplate capacity and available purchase prices for an~~
24 ~~open step~~ are fully committed or reserved. Except as
25 outlined below, the waitlist of projects in a given year
26 will carry over to apply to the subsequent year when

1 another block is opened. Only projects energized on or
2 after June 1, 2017 shall be eligible for the Adjustable
3 Block program. For each category for each delivery year
4 ~~block group~~ the Agency shall determine ~~the number of~~
5 ~~blocks,~~ the amount of generation capacity in each block,
6 and the purchase price for each block, provided that the
7 purchase price provided and the total amount of generation
8 in all blocks for all categories ~~block groups~~ shall be
9 sufficient to meet the goals in this subsection (c). The
10 Agency shall strive to issue a single block sized to
11 provide for stability and market growth. The Agency shall
12 establish program eligibility requirements that ensure
13 that projects that enter the program are sufficiently
14 mature to indicate a demonstrable path to completion. The
15 Agency may periodically review its prior decisions
16 establishing ~~the number of blocks,~~ the amount of
17 generation capacity in each block, and the purchase price
18 for each block, and may propose, on an expedited basis,
19 changes to these previously set values, including but not
20 limited to redistributing these amounts and the available
21 funds as necessary and appropriate, subject to Commission
22 approval as part of the periodic plan revision process
23 described in Section 16-111.5 of the Public Utilities Act.
24 The Agency may define different block sizes, purchase
25 prices, or other distinct terms and conditions for
26 projects located in different utility service territories

1 if the Agency deems it necessary to meet the goals in this
2 subsection (c).

3 The Adjustable Block program shall include ~~at least~~
4 the following categories ~~block groups~~ in at least the
5 following amounts, ~~which may be adjusted upon review by~~
6 ~~the Agency and approval by the Commission as described in~~
7 ~~this subparagraph (K):~~

8 (i) At least 20% ~~25%~~ from distributed renewable
9 energy generation devices with a nameplate capacity of
10 no more than 25 ~~10~~ kilowatts.

11 (ii) At least 20% ~~25%~~ from distributed renewable
12 energy generation devices with a nameplate capacity of
13 more than 25 ~~10~~ kilowatts and no more than 5,000 ~~2,000~~
14 kilowatts. The Agency may create sub-categories within
15 this category to account for the differences between
16 projects for small commercial customers, large
17 commercial customers, and public or non-profit
18 customers.

19 (iii) At least 30% ~~25%~~ from photovoltaic community
20 renewable generation projects. Capacity for this
21 category for the first 2 delivery years after the
22 effective date of this amendatory Act of the 102nd
23 General Assembly shall be allocated to waitlist
24 projects as provided in paragraph (3) of item (iv) of
25 subparagraph (G). Starting in the third delivery year
26 after the effective date of this amendatory Act of the

1 102nd General Assembly or earlier if the Agency
2 determines there is additional capacity needed for to
3 meet previous delivery year requirements, the
4 following shall apply:

5 (1) the Agency shall select projects on a
6 first-come, first-serve basis, however the Agency
7 may suggest additional methods to prioritize
8 projects that are submitted at the same time;

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

13 (3) projects shall not be colocated with one
14 or more other community renewable generation
15 projects, as defined in the Agency's first revised
16 long-term renewable resources procurement plan
17 approved by the Commission on February 18, 2020,
18 such that the aggregate nameplate capacity exceeds
19 5,000 kilowatts; and

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

25 (iv) At least 15% from distributed renewable
26 generation devices or photovoltaic community renewable

1 generation projects installed at public schools. The
2 Agency may create subcategories within this category
3 to account for the differences between project size or
4 location. Projects located within environmental
5 justice communities or within Organizational Units
6 that fall within Tier 1 or Tier 2 shall be given
7 priority. Each of the Agency's periodic updates to its
8 long-term renewable resources procurement plan to
9 incorporate the procurement described in this
10 subparagraph (iv) shall also include the proposed
11 quantities or blocks, pricing, and contract terms
12 applicable to the procurement as indicated herein. In
13 each such update and procurement, the Agency shall set
14 the renewable energy credit price and establish
15 payment terms for the renewable energy credits
16 procured pursuant to this subparagraph (iv) that make
17 it feasible and affordable for public schools to
18 install photovoltaic distributed renewable energy
19 devices on their premises, including, but not limited
20 to, those public schools subject to the prioritization
21 provisions of this subparagraph. For the purposes of
22 this item (iv):

23 "Environmental Justice Community" shall have the
24 same meaning set forth in the Agency's long-term
25 renewable resources procurement plan;

26 "Organization Unit", "Tier 1" and "Tier 2" shall

1 have the meanings set for in Section 18-8.15 of the
2 School Code;

3 "Public schools" shall have the meaning set forth
4 in Section 1-3 of the School Code.

5 (v) At least 5% from community-driven community
6 solar projects intended to provide more direct and
7 tangible connection and benefits to the communities
8 which they serve or in which they operate and,
9 additionally, to increase the variety of community
10 solar locations, models, and options in Illinois. As
11 part of its long-term renewable resources procurement
12 plan, the Agency shall develop selection criteria for
13 projects participating in this category. Nothing in
14 this Section shall preclude the Agency from creating a
15 selection process that maximizes community ownership
16 and community benefits in selecting projects to
17 receive renewable energy credits. Selection criteria
18 shall include:

19 (1) community ownership or community
20 wealth-building;

21 (2) additional direct and indirect community
22 benefit, beyond project participation as a
23 subscriber, including, but not limited to,
24 economic, environmental, social, cultural, and
25 physical benefits;

26 (3) meaningful involvement in project

1 organization and development by community members
2 or nonprofit organizations or public entities
3 located in or serving the community;

4 (4) engagement in project operations and
5 management by nonprofit organizations, public
6 entities, or community members; and

7 (5) whether a project is developed in response
8 to a site-specific RFP developed by community
9 members or a nonprofit organization or public
10 entity located in or serving the community.

11 Selection criteria may also prioritize projects
12 that:

13 (1) are developed in collaboration with or to
14 provide complementary opportunities for the Clean
15 Jobs Workforce Network Program, the Illinois
16 Climate Works Preapprenticeship Program, the
17 Returning Residents Clean Jobs Training Program,
18 the Clean Energy Contractor Incubator Program, or
19 the Clean Energy Primes Contractor Accelerator
20 Program;

21 (2) increase the diversity of locations of
22 community solar projects in Illinois, including by
23 locating in urban areas and population centers;

24 (3) are located in Equity Investment Eligible
25 Communities;

26 (4) are not greenfield projects;

1 (5) serve only local subscribers;

2 (6) have a nameplate capacity that does not
3 exceed 500 kW;

4 (7) are developed by an equity eligible
5 contractor; or

6 (8) otherwise meaningfully advance the goals
7 of providing more direct and tangible connection
8 and benefits to the communities which they serve
9 or in which they operate and increasing the
10 variety of community solar locations, models, and
11 options in Illinois.

12 For the purposes of this item (v):

13 "Community" means a social unit in which people
14 come together regularly to effect change; a social
15 unit in which participants are marked by a cooperative
16 spirit, a common purpose, or shared interests or
17 characteristics; or a space understood by its
18 residents to be delineated through geographic
19 boundaries or landmarks.

20 "Community benefit" means a range of services and
21 activities that provide affirmative, economic,
22 environmental, social, cultural, or physical value to
23 a community; or a mechanism that enables economic
24 development, high-quality employment, and education
25 opportunities for local workers and residents, or
26 formal monitoring and oversight structures such that

1 community members may ensure that those services and
2 activities respond to local knowledge and needs.

3 "Community ownership" means an arrangement in
4 which an electric generating facility is, or over time
5 will be, in significant part, owned collectively by
6 members of the community to which an electric
7 generating facility provides benefits; members of that
8 community participate in decisions regarding the
9 governance, operation, maintenance, and upgrades of
10 and to that facility; and members of that community
11 benefit from regular use of that facility.

12 Terms and guidance within these criteria that are
13 not defined in this item (v) shall be defined by the
14 Agency, with stakeholder input, during the development
15 of the Agency's long-term renewable resources
16 procurement plan. The Agency shall develop regular
17 opportunities for projects to submit applications for
18 projects under this category, and develop selection
19 criteria that gives preference to projects that better
20 meet individual criteria as well as projects that
21 address a higher number of criteria.

22 (vi) At least 10% from distributed renewable
23 energy generation devices, which includes distributed
24 renewable energy devices with a nameplate capacity
25 under 5,000 kilowatts or photovoltaic community
26 renewable generation projects, from applicants that

1 are equity eligible contractors. The Agency may create
2 subcategories within this category to account for the
3 differences between project size and type. The Agency
4 shall propose to increase the percentage in this item
5 (vi) over time to 40% based on factors, including, but
6 not limited to, the number of equity eligible
7 contractors and capacity used in this item (vi) in
8 previous delivery years.

9 The Agency shall propose a payment structure for
10 contracts executed pursuant to this paragraph under
11 which, upon a demonstration of qualification or need,
12 applicant firms are advanced capital disbursed after
13 contract execution but before the contracted project's
14 energization. The amount or percentage of capital
15 advanced prior to project energization shall be
16 sufficient to both cover any increase in development
17 costs resulting from prevailing wage requirements or
18 project-labor agreements, and designed to overcome
19 barriers in access to capital faced by equity eligible
20 contractors. The amount or percentage of advanced
21 capital may vary by subcategory within this category
22 and by an applicant's demonstration of need, with such
23 levels to be established through the Long-Term
24 Renewable Resources Procurement Plan authorized under
25 subparagraph (A) of paragraph (1) of subsection (c) of
26 this Section.

1 Contracts developed featuring capital advanced
2 prior to a project's energization shall feature
3 provisions to ensure both the successful development
4 of applicant projects and the delivery of the
5 renewable energy credits for the full term of the
6 contract, including ongoing collateral requirements
7 and other provisions deemed necessary by the Agency,
8 and may include energization timelines longer than for
9 comparable project types. The percentage or amount of
10 capital advanced prior to project energization shall
11 not operate to increase the overall contract value,
12 however contracts executed under this subparagraph may
13 feature renewable energy credit prices higher than
14 those offered to similar projects participating in
15 other categories. Capital advanced prior to
16 energization shall serve to reduce the ratable
17 payments made after energization under items (ii) and
18 (iii) of subparagraph (L) or payments made for each
19 renewable energy credit delivery under item (iv) of
20 subparagraph (L).

21 (vii) ~~(iv)~~ The remaining capacity 25% shall be
22 allocated as specified by the Agency in order to
23 respond to market demand ~~the long-term renewable~~
24 ~~resources procurement plan.~~ The Agency shall allocate
25 any discretionary capacity prior to the beginning of
26 each delivery year.

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

12 Notwithstanding anything to the contrary, as the
13 Agency increases the capacity in item (vi) to 40% over
14 time, the Agency may reduce the capacity of items (i)
15 through (v) proportionate to the capacity of the
16 categories of projects in item (vi), to achieve a balance
17 of project types.

18 The Adjustable Block program shall be designed to
19 ensure that renewable energy credits are procured from
20 ~~photovoltaic distributed renewable energy generation~~
21 ~~devices and new photovoltaic community renewable energy~~
22 ~~generation~~ projects in diverse locations and are not
23 concentrated in a few regional ~~geographic~~ areas.

24 (L) Notwithstanding provisions for advancing capital
25 prior to project energization found in item (vi) of
26 subparagraph (K), the ~~The~~ procurement of photovoltaic

1 renewable energy credits under items (i) through (vi) ~~(iv)~~
2 of subparagraph (K) of this paragraph (1) shall otherwise
3 be subject to the following contract and payment terms:

4 (i) (Blank). ~~The Agency shall procure contracts of at~~
5 ~~least 15 years in length.~~

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

1 (iii) For those renewable energy credits that
2 qualify and are procured under item (ii) and (v) ~~(iii)~~
3 of subparagraph (K) of this paragraph (1) and any like
4 projects similar category that qualify and are
5 procured under item (vi), the contract length shall be
6 15 years. 15% ~~any additional categories of distributed~~
7 ~~generation included in the long term renewable~~
8 ~~resources procurement plan and approved by the~~
9 ~~Commission, 20 percent~~ of the renewable energy credit
10 delivery contract value, based on the estimated
11 generation during the first 15 years of operation,
12 ~~purchase price~~ shall be paid by the contracting
13 utilities at the time that the facility producing the
14 renewable energy credits is interconnected at the
15 distribution system level of the utility and verified
16 as energized and compliant by the Program
17 Administrator. The remaining portion shall be paid
18 ratably over the subsequent 6-year ~~4-year~~ period. The
19 electric utility shall receive and retire all
20 renewable energy credits generated by the project for
21 the first 15 years of operation. Renewable energy
22 credits generated by the project thereafter shall not
23 be transferred under the renewable energy credit
24 delivery contract with the counterparty electric
25 utility.

26 (iv) For those renewable energy credits that

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

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

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

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

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

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

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

26 (ix) Notwithstanding other requirements of this

1 subparagraph (L), no modification shall be required to
2 Adjustable Block program contracts if they were
3 already executed prior to the establishment, approval,
4 and implementation of new contract forms as a result
5 of this amendatory Act of the 102nd General Assembly.

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

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

1 the implementation of the Adjustable Block program.

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

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

1 The Agency and its consultant or consultants shall
2 monitor block activity, share program activity with
3 stakeholders and conduct quarterly ~~regularly scheduled~~
4 meetings to discuss program activity and market
5 conditions. If necessary, the Agency may make prospective
6 administrative adjustments to the Adjustable Block program
7 design, such as ~~redistributing available funds or~~ making
8 adjustments to purchase prices as necessary to achieve the
9 goals of this subsection (c). Program modifications to any
10 block price, ~~capacity block, or other program element~~ that
11 do not deviate from the Commission's approved value by
12 more than 10% ~~25%~~ shall take effect immediately and are
13 not subject to Commission review and approval. Program
14 modifications to any block price, ~~capacity block, or other~~
15 ~~program element~~ that deviate more than 10% ~~25%~~ from the
16 Commission's approved value must be approved by the
17 Commission as a long-term plan amendment under Section
18 16-111.5 of the Public Utilities Act. The Agency shall
19 consider stakeholder feedback when making adjustments to
20 the Adjustable Block design and shall notify stakeholders
21 in advance of any planned changes.

22 The Agency and its program administrators for both the
23 Adjustable Block program and the Illinois Solar for All
24 Program, consistent with the requirements of this
25 subsection (c) and subsection (b) of Section 1-56 of this
26 Act, shall propose the Adjustable Block program terms,

1 conditions, and requirements, including the prices to be
2 paid for renewable energy credits, where applicable, and
3 requirements applicable to participating entities and
4 project applications, through the development, review, and
5 approval of the Agency's long-term renewable resources
6 procurement plan described in this subsection (c) and
7 paragraph (5) of subsection (b) of Section 16-111.5 of the
8 Public Utilities Act. Terms, conditions, and requirements
9 for program participation shall include the following:

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

20 (ii) The Agency shall establish program
21 requirements and minimum contract terms to ensure
22 projects are properly installed and produce their
23 expected amounts of energy. Program requirements may
24 include on-site inspections and photo documentation of
25 projects under construction. The Agency may require
26 repairs, alterations, or additions to remedy any

1 material deficiencies discovered. Vendors who have a
2 disproportionately high number of deficient systems
3 may lose their eligibility to continue to receive
4 State-administered incentive funding through Agency
5 programs and procurements.

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

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

22 (v) Through a filing in the proceeding for the
23 approval of its long-term renewable energy resources
24 procurement plan, the Agency shall provide an annual
25 written report to the Illinois Commerce Commission
26 documenting the frequency and nature of complaints and

1 any enforcement actions taken in response to those
2 complaints.

3 (vi) The Agency shall schedule regular meetings
4 with representatives of the Office of the Attorney
5 General, the Illinois Commerce Commission, consumer
6 protection groups, and other interested stakeholders
7 to share relevant information about consumer
8 protection, project compliance, and complaints
9 received.

10 (vii) To the extent that complaints received
11 implicate the jurisdiction of the Office of the
12 Attorney General, the Illinois Commerce Commission, or
13 local, State, or federal law enforcement, the Agency
14 shall also refer complaints to those entities as
15 appropriate.

16 (N) ~~The long term renewable resources procurement plan~~
17 ~~required by this subsection (c) shall include a community~~
18 ~~renewable generation program.~~ The Agency shall establish
19 the terms, conditions, and program requirements for
20 photovoltaic community renewable generation projects with
21 a goal to expand ~~renewable energy generating facility~~
22 access to a broader group of energy consumers, to ensure
23 robust participation opportunities for residential and
24 small commercial customers and those who cannot install
25 renewable energy on their own properties. Subject to
26 reasonable limitations, any ~~Any~~ plan approved by the

1 Commission shall allow subscriptions to community
2 renewable generation projects to be portable and
3 transferable. For purposes of this subparagraph (N),
4 "portable" means that subscriptions may be retained by the
5 subscriber even if the subscriber relocates or changes its
6 address within the same utility service territory; and
7 "transferable" means that a subscriber may assign or sell
8 subscriptions to another person within the same utility
9 service territory.

10 Through the development of its long-term renewable
11 resources procurement plan, the Agency may consider
12 whether community renewable generation projects utilizing
13 technologies other than photovoltaics should be supported
14 through State-administered incentive funding, and may
15 issue requests for information to gauge market demand.

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

21 The Agency shall purchase renewable energy credits
22 from subscribed shares of photovoltaic community renewable
23 generation projects through the Adjustable Block program
24 described in subparagraph (K) of this paragraph (1) or
25 through the Illinois Solar for All Program described in
26 Section 1-56 of this Act. The electric utility shall

1 purchase any unsubscribed energy from community renewable
2 generation projects that are Qualifying Facilities ("QF")
3 under the electric utility's tariff for purchasing the
4 output from QFs under Public Utilities Regulatory Policies
5 Act of 1978.

6 The owners of and any subscribers to a community
7 renewable generation project shall not be considered
8 public utilities or alternative retail electricity
9 suppliers under the Public Utilities Act solely as a
10 result of their interest in or subscription to a community
11 renewable generation project and shall not be required to
12 become an alternative retail electric supplier by
13 participating in a community renewable generation project
14 with a public utility.

15 (O) For the delivery year beginning June 1, 2018, the
16 long-term renewable resources procurement plan required by
17 this subsection (c) shall provide for the Agency to
18 procure contracts to continue offering the Illinois Solar
19 for All Program described in subsection (b) of Section
20 1-56 of this Act, and the contracts approved by the
21 Commission shall be executed by the utilities that are
22 subject to this subsection (c). The long-term renewable
23 resources procurement plan shall allocate up to
24 \$50,000,000 ~~5% of the funds available under the plan for~~
25 ~~the applicable delivery year, or \$10,000,000 per delivery~~
26 ~~year, whichever is greater,~~ to fund the programs, and the

1 plan shall determine the amount of funding to be
2 apportioned to the programs identified in subsection (b)
3 of Section 1-56 of this Act; provided that for the
4 delivery years beginning June 1, 2021, June 1, 2022, and
5 June 1, 2023, the long-term renewable resources
6 procurement plan may average the annual budgets over a
7 3-year period to account for program ramp-up. For ~~for~~ the
8 delivery years beginning ~~June 1, 2017,~~ June 1, 2021, and
9 June 1, ~~2024~~ 2025, June 1, 2027, and June 1, 2030 and
10 additional the long-term renewable resources procurement
11 plan shall allocate 10% of the funds available under the
12 plan for the applicable delivery year, or \$20,000,000 per
13 delivery year, whichever is greater, and \$10,000,000 of
14 such funds in such year shall be provided to the
15 Department of Commerce and Economic Opportunity to
16 implement the workforce development programs and reporting
17 as outlined in ~~used by an electric utility that serves~~
18 ~~more than 3,000,000 retail customers in the State to~~
19 ~~implement a Commission approved plan under~~ Section
20 16-108.12 of the Public Utilities Act. In making the
21 determinations required under this subparagraph (O), the
22 Commission shall consider the experience and performance
23 under the programs and any evaluation reports. The
24 Commission shall also provide for an independent
25 evaluation of those programs on a periodic basis that are
26 funded under this subparagraph (O).

1 (P) All programs and procurements under this
2 subsection (c) shall be designed to encourage
3 participating projects to use a diverse and equitable
4 workforce and a diverse set of contractors, including
5 minority-owned businesses, disadvantaged businesses,
6 trade unions, graduates of any workforce training programs
7 administered under this Act, and small businesses.

8 The Agency shall develop a method to optimize
9 procurement of renewable energy credits from proposed
10 utility-scale projects that are located in communities
11 eligible to receive Energy Transition Community Grants
12 pursuant to Section 10-20 of the Energy Community
13 Reinvestment Act. If this requirement conflicts with other
14 provisions of law or the Agency determines that full
15 compliance with the requirements of this subparagraph (P)
16 would be unreasonably costly or administratively
17 impractical, the Agency is to propose alternative
18 approaches to achieve development of renewable energy
19 resources in communities eligible to receive Energy
20 Transition Community Grants pursuant to Section 10-20 of
21 the Energy Community Reinvestment Act or seek an exemption
22 from this requirement from the Commission.

23 (Q) Each facility listed in subitems (i) through
24 (viii) of item (1) of this subparagraph (Q) for which a
25 renewable energy credit delivery contract is signed after
26 the effective date of this amendatory Act of the 102nd

1 General Assembly is subject to the following requirements
2 through the Agency's long-term renewable resources
3 procurement plan:

4 (1) Each facility shall be subject to the
5 prevailing wage requirements included in the
6 Prevailing Wage Act. The Agency shall require
7 verification that all construction performed on the
8 facility by the renewable energy credit delivery
9 contract holder, its contractors, or its
10 subcontractors relating to construction of the
11 facility is performed by construction employees
12 receiving an amount for that work equal to or greater
13 than the general prevailing rate, as that term is
14 defined in Section 3 of the Prevailing Wage Act. For
15 purposes of this item (1), "house of worship" means
16 property that is both (1) used exclusively by a
17 religious society or body of persons as a place for
18 religious exercise or religious worship and (2)
19 recognized as exempt from taxation pursuant to Section
20 15-40 of the Property Tax Code. This item (1) shall
21 apply to any the following:

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

23 (ii) all new utility-scale photovoltaic
24 projects;

25 (iii) all new brownfield photovoltaic
26 projects;

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

4 (v) all new community driven community
5 photovoltaic projects that qualify for item (v) of
6 subparagraph (K) of this paragraph (1);

7 (vi) all new photovoltaic distributed
8 renewable energy generation devices on schools
9 that qualify for item (iv) of subparagraph (K) of
10 this paragraph (1);

11 (vii) all new photovoltaic distributed
12 renewable energy generation devices that (1)
13 qualify for item (i) of subparagraph (K) of this
14 paragraph (1); (2) are not projects that serve
15 single-family or multi-family residential
16 buildings; and (3) are not houses of worship where
17 the aggregate capacity including collocated
18 projects would not exceed 100 kilowatts;

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

1 (2) Renewable energy credits procured from new
2 utility-scale wind projects, new utility-scale solar
3 projects, and new brownfield solar projects pursuant
4 to Agency procurement events occurring after the
5 effective date of this amendatory Act of the 102nd
6 General Assembly must be from facilities built by
7 general contractors that must enter into a project
8 labor agreement, as defined by this Act, prior to
9 construction. The project labor agreement shall be
10 filed with the Director in accordance with procedures
11 established by the Agency through its long-term
12 renewable resources procurement plan. Any information
13 submitted to the Agency in this item (2) shall be
14 considered commercially sensitive information. At a
15 minimum, the project labor agreement must provide the
16 names, addresses, and occupations of the owner of the
17 plant and the individuals representing the labor
18 organization employees participating in the project
19 labor agreement consistent with the Project Labor
20 Agreements Act. The agreement must also specify the
21 terms and conditions as defined by this Act.

22 (3) It is the intent of this Section to ensure that
23 economic development occurs across Illinois
24 communities, that emerging businesses may grow, and
25 that there is improved access to the clean energy
26 economy by persons who have greater economic burdens

1 to success. The Agency shall take into consideration
2 the unique cost of compliance of this subparagraph (Q)
3 that might be borne by equity eligible contractors,
4 shall include such costs when determining the price of
5 renewable energy credits in the Adjustable Block
6 program, and shall take such costs into consideration
7 in a nondiscriminatory manner when comparing bids for
8 competitive procurements. The Agency shall consider
9 costs associated with compliance whether in the
10 development, financing, or construction of projects.
11 The Agency shall periodically review the assumptions
12 in these costs and may adjust prices, in compliance
13 with subparagraph (M) of this paragraph (1).

14 (R) In its long-term renewable resources procurement
15 plan, the Agency shall establish a self-direct renewable
16 portfolio standard compliance program for eligible
17 self-direct customers that purchase renewable energy
18 credits from utility-scale wind and solar projects through
19 long-term agreements for purchase of renewable energy
20 credits as described in this Section. Such long-term
21 agreements may include the purchase of energy or other
22 products on a physical or financial basis and may involve
23 an alternative retail electric supplier as defined in
24 Section 16-102 of the Public Utilities Act. This program
25 shall take effect in the delivery year commencing June 1,
26 2023.

1 (1) For the purposes of this subparagraph:

2 "Eligible self-direct customer" means any retail
3 customers of an electric utility that serves 3,000,000
4 or more retail customers in the State and whose total
5 highest 30-minute demand was more than 10,000
6 kilowatts, or any retail customers of an electric
7 utility that serves less than 3,000,000 retail
8 customers but more than 500,000 retail customers in
9 the State and whose total highest 15-minute demand was
10 more than 10,000 kilowatts.

11 "Retail customer" has the meaning set forth in
12 Section 16-102 of the Public Utilities Act and
13 multiple retail customer accounts under the same
14 corporate parent may aggregate their account demands
15 to meet the 10,000 kilowatt threshold. The criteria
16 for determining whether this subparagraph is
17 applicable to a retail customer shall be based on the
18 12 consecutive billing periods prior to the start of
19 the year in which the application is filed.

20 (2) For renewable energy credits to count toward
21 the self-direct renewable portfolio standard
22 compliance program, they must:

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

25 (ii) be sourced from one or more renewable
26 energy generating facilities that comply with the

1 geographic requirements as set forth in
2 subparagraph (I) of paragraph (1) of subsection
3 (c) as interpreted through the Agency's long-term
4 renewable resources procurement plan, or, where
5 applicable, the geographic requirements that
6 governed utility-scale renewable energy credits at
7 the time the eligible self-direct customer entered
8 into the applicable renewable energy credit
9 purchase agreement;

10 (iii) be procured through long-term contracts
11 with term lengths of at least 10 years either
12 directly with the renewable energy generating
13 facility or through a bundled power purchase
14 agreement, a virtual power purchase agreement, an
15 agreement between the renewable generating
16 facility, an alternative retail electric supplier,
17 and the customer, or such other structure as is
18 permissible under this subparagraph (R);

19 (iv) be equivalent in volume to at least 40%
20 of the eligible self-direct customer's usage,
21 determined annually by the eligible self-direct
22 customer's usage during the previous delivery
23 year, measured to the nearest megawatt-hour;

24 (v) be retired by or on behalf of the large
25 energy customer;

26 (vi) be sourced from new utility-scale wind

1 projects or new utility-scale solar projects; and
2 (vii) if the contracts for renewable energy
3 credits are entered into after the effective date
4 of this amendatory Act of the 102nd General
5 Assembly, the new utility-scale wind projects or
6 new utility-scale solar projects must comply with
7 the requirements established in subparagraphs (P)
8 and (Q) of paragraph (1) of this subsection (c)
9 and subsection (c-10).

10 (3) The self-direct renewable portfolio standard
11 compliance program shall be designed to allow eligible
12 self-direct customers to procure new renewable energy
13 credits from new utility-scale wind projects or new
14 utility-scale photovoltaic projects. The Agency shall
15 annually determine the amount of utility-scale
16 renewable energy credits it will include each year
17 from the self-direct renewable portfolio standard
18 compliance program, subject to receiving qualifying
19 applications. In making this determination, the Agency
20 shall evaluate publicly available analyses and studies
21 of the potential market size for utility-scale
22 renewable energy long-term purchase agreements by
23 commercial and industrial energy customers and make
24 that report publicly available. If demand for
25 participation in the self-direct renewable portfolio
26 standard compliance program exceeds availability, the

1 Agency shall ensure participation is evenly split
2 between commercial and industrial users to the extent
3 there is sufficient demand from both customer classes.
4 Each renewable energy credit procured pursuant to this
5 subparagraph (R) by a self-direct customer shall
6 reduce the total volume of renewable energy credits
7 the Agency is otherwise required to procure from new
8 utility-scale projects pursuant to subparagraph (C) of
9 paragraph (1) of this subsection (c) on behalf of
10 contracting utilities where the eligible self-direct
11 customer is located. The self-direct customer shall
12 file an annual compliance report with the Agency
13 pursuant to terms established by the Agency through
14 its long-term renewable resources procurement plan to
15 be eligible for participation in this program.
16 Customers must provide the Agency with their most
17 recent electricity billing statements or other
18 information deemed necessary by the Agency to
19 demonstrate they are an eligible self-direct customer.

20 (4) The Commission shall approve a reduction in
21 the volumetric charges collected pursuant to Section
22 16-108 of the Public Utilities Act for approved
23 eligible self-direct customers equivalent to the
24 anticipated cost of renewable energy credit deliveries
25 under contracts for new utility-scale wind and new
26 utility-scale solar entered for each delivery year

1 after the large energy customer begins retiring
2 eligible new utility scale renewable energy credits
3 for self-compliance. The self-direct credit amount
4 shall be determined annually and is equal to the
5 estimated portion of the cost authorized by
6 subparagraph (E) of paragraph (1) of this subsection
7 (c) that supported the annual procurement of
8 utility-scale renewable energy credits in the prior
9 delivery year using a methodology described in the
10 long-term renewable resources procurement plan,
11 expressed on a per kilowatthour basis, and does not
12 include (i) costs associated with any contracts
13 entered into before the delivery year in which the
14 customer files the initial compliance report to be
15 eligible for participation in the self-direct program,
16 and (ii) costs associated with procuring renewable
17 energy credits through existing and future contracts
18 through the Adjustable Block Program, subsection (c-5)
19 of this Section 1-75, and the Solar for All Program.
20 The Agency shall assist the Commission in determining
21 the current and future costs. The Agency must
22 determine the self-direct credit amount for new and
23 existing eligible self-direct customers and submit
24 this to the Commission in an annual compliance filing.
25 The Commission must approve the self-direct credit
26 amount by June 1, 2023 and June 1 of each delivery year

1 thereafter.

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

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

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

25 (iii) certification that the contract or
26 contracts for new renewable energy resources are

1 long-term contracts with term lengths of at least
2 10 years, including supporting documentation;

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

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

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

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

1 self-direct renewable portfolio standard compliance
2 program.

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 facilities 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 procurement events 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 facilities to be
21 installed at or adjacent to the sites of electric
22 generating facilities that, as of January 1, 2016, burned
23 coal as their primary fuel source and meet the other
24 criteria specified in this subsection (c-5). For purposes
25 of this subsection (c-5), "new renewable energy facility"
26 means a new utility-scale solar project as defined in this

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

20 (2) The Agency shall conduct 2 procurement events to
21 select owners of electric generating facilities meeting
22 the eligibility criteria specified in this subsection
23 (c-5) to enter into long-term contracts to sell renewable
24 energy credits to electric utilities serving more than
25 300,000 retail customers in this State as of January 1,
26 2019. The first procurement event shall be conducted no

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

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

1 event; or (ii) still operating as of the date of the
2 procurement event.

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

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

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

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

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

1 function.

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

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

26 (H) The applicant commits to enter into a contract

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

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

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

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

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

15 (5) The Agency shall select the applicants and the new
16 renewable energy facilities to contract with electric
17 utilities to supply renewable energy credits in accordance
18 with this subsection (c-5). In the first procurement
19 event, the Agency shall select applicants and new
20 renewable energy facilities to supply renewable energy
21 credits, at a price of \$30 per renewable energy credit,
22 aggregating to no less than 400,000 renewable energy
23 credits per year for the applicable duration, assuming
24 sufficient qualifying applications to supply, in the
25 aggregate, at least that amount of renewable energy
26 credits per year; and not more than 580,000 renewable

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 purpose other than the express purposes set forth in
2 this paragraph (10).

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

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

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

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

25 (4) the owner of the electric generating
26 facility has not been selected by the Agency

1 pursuant to this subsection (c-5) of this Section
2 to enter into a contract to sell renewable energy
3 credits to one or more electric utilities from a
4 new renewable energy facility located or to be
5 located at or adjacent to the site at which the
6 electric generating facility is located;

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

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

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

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

1 process, in finalizing interconnection agreements
2 and in installing interconnection facilities, and
3 in obtaining necessary governmental permits and
4 approvals;

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

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

25 (11) the owner commits that not less than the
26 prevailing wage, as determined pursuant to the

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

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

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

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

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

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

1 warrants.

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

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

23 (B) For purposes of this paragraph (11), diversity
24 composition shall be based on the percentage, which
25 shall be a minimum of 25%, of eligible expenditures
26 for contract awards for materials and services (which

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

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

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

26 (D) The applicant or owner may submit a revised or

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

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

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

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

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

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

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

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

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

1 designee demonstrating compliance.

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

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

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

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

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

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

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

20 (C) A program for approved vendors, designees,
21 eligible persons, and equity eligible contractors to
22 receive trainings, guidance, and other support from
23 the Agency or its designee regarding the equity
24 category outlined in item (vi) of subparagraph (K) of
25 paragraph (1) of subsection (c) and in meeting the
26 minimum equity standards of this subsection (c-10).

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

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

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

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

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

20 (7) Modifications to the equity accountability system.
21 As part of the update of the long-term renewable resources
22 procurement plan to be initiated in 2023, or sooner if the
23 Agency deems necessary, the Agency shall determine the
24 extent to which the equity accountability system described
25 in this subsection (c-10) has advanced the goals of this
26 amendatory Act of the 102nd General Assembly, including

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

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

24 (1) Purpose. It is the purpose of this subsection to
25 empower the Agency and other State actors to remedy racial
26 discrimination in Illinois' clean energy economy as

1 effectively and expediently as possible, including through
2 the use of race-conscious remedies, such as race-conscious
3 contracting and hiring goals, as consistent with State and
4 federal law.

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

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

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

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

19 (c-20) Program data collection.

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

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

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

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

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

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

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

26 (4) Publication of collected information. The Agency

1 shall publish, at least annually, information on the
2 demographics of program participants on an aggregate
3 basis.

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

8 (c-25) Energy Workforce Equity Database.

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

19 (A) publicly accessible;

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

21 (C) organized by company specialty or field;

22 (D) region-specific; and

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

1 have participated in any of the programs described in
2 this Act.

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

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

8 (B) job postings and recruiting opportunities;

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

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

16 (E) renewable energy company diversity reporting;

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

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

25 (H) information about the Jobs and Environmental
26 Justice Grant Program, the Clean Energy Jobs and

1 Justice Fund, and other sources of capital.

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

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

26 (d) Clean coal portfolio standard.

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

25 A utility party to a sourcing agreement shall
26 immediately retire any emission credits that it receives

1 in connection with the electricity covered by such
2 agreement.

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

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

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

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

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

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

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

22 (D) in 2013, the greater of an additional 0.5% of
23 the amount paid per kilowatthour by those customers
24 during the year ending May 31, 2012 or 2% of the amount
25 paid per kilowatthour by those customers during the
26 year ending May 31, 2009; and

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

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

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

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

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

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

1 case may not exceed the lower of 11.5% or the rate
2 of return approved by the General Assembly
3 pursuant to paragraph (4) of this subsection (d);
4 and

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

21 (B) power purchase provisions, which shall:

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

26 (ii) require delivery of electricity to the

1 regional transmission organization market of the
2 utility that is party to such sourcing agreement;

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

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

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

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

25 (ii) provide that the utility's payment
26 obligation in respect of the quantity of

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

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

20 (D) general provisions, which shall:

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

24 (ii) provide that utilities shall maintain
25 adequate records documenting purchases under the
26 sourcing agreements entered into to comply with

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

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

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

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

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

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

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

23 (vii) require Commission review: (1) to
24 determine the justness, reasonableness, and
25 prudence of the inputs to the formula referenced
26 in subparagraphs (A)(i) through (A)(iii) of

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

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

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

25 (x) provide that the owner or owners of the
26 initial clean coal facility, which is the

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

25 (E) Amounts paid to third parties unrelated to the
26 owner or owners of the initial clean coal facility to

1 prepare the core plant construction cost quote,
2 including the front end engineering and design study,
3 and the operating and maintenance cost quote will be
4 reimbursed through Coal Development Bonds.

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

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

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

14 (d-5) Zero emission standard.

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

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

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

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

24 (A) Those zero emission facilities that intend to
25 participate in the procurement shall submit to the
26 Agency the following eligibility information for each

1 zero emission facility on or before the date
2 established by the Agency:

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

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

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

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

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

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

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

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

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

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

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

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

1 data published by the Intercontinental
2 Exchange, or its successor.

3 (bb) Projected capacity prices:

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

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

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

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

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

17 "RTO" means regional transmission
18 organization.

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

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

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

24 Upon publishing of the zero emission standard
25 procurement plan, copies of the plan shall be posted
26 and made publicly available on the Agency's website.

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

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

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

24 (i) identify how the winning bids satisfy the
25 public interest criteria described in subparagraph
26 (C) of this paragraph (1) of minimizing carbon

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

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

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

19 (aa) the value of avoided greenhouse gas
20 emissions measured as the product of the zero
21 emission facilities' output over the contract
22 term multiplied by the U.S. Environmental
23 Protection Agency eGrid subregion carbon
24 dioxide emission rate and the U.S. Interagency
25 Working Group on Social Cost of Carbon's price
26 in the August 2016 Technical Update using a 3%

1 discount rate, adjusted for inflation for each
2 delivery year; and

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

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

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

26 Each utility shall enter into binding contractual

1 arrangements with the winning suppliers.

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

20 (D) Following the procurement event described in
21 this paragraph (1) and consistent with subparagraph
22 (B) of this paragraph (1), the Agency shall calculate
23 the payments to be made under each contract for the
24 next delivery year based on the market price index for
25 that delivery year. The Agency shall publish the
26 payment calculations no later than May 25, 2017 and

1 every May 25 thereafter.

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

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

1 to, delivery of zero emission credits, and no
2 payment shall be due to the zero emission facility
3 during the duration of the event.

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

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

24 (iv) A zero emission facility shall be
25 permitted to terminate the contract in the event
26 the Nuclear Regulatory Commission terminates the

1 resource's license.

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

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

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

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

1 recovered by the electric utility as provided in this
2 Section.

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

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

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

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

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

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

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

26 (4) Cost-effective zero emission credits procured from

1 zero emission facilities shall satisfy the applicable
2 definitions set forth in Section 1-10 of this Act.

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

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

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

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

20 (1) The General Assembly finds:

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

26 (B) Absent immediate action by the State to preserve

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

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

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

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

22 (F) The Environmental Protection Agency commissioned
23 an independent audit which provided a detailed assessment
24 of the financial condition of the Illinois nuclear fleet
25 to evaluate its financial viability and whether the
26 environmental benefits of such resources were at risk. The

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

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

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

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

24 (2) As used in this subsection:

25 "Baseline costs" means costs used to establish a customer
26 protection cap that have been evaluated through an independent

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

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

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

20 (3) Procurement.

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

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

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

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

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

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

26 (iv) financial need and the risk of loss of the

1 environmental benefits of such resource, which shall
2 include the following information:

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

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

25 The information described in this subparagraph (B) may
26 be submitted on a confidential basis and shall be treated

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

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

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

24 (ii) Contracts for carbon mitigation credits shall
25 commence with the delivery year beginning on June 1,
26 2022 and shall be for a term of 5 delivery years

1 concluding on May 31, 2027.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

24 (IV) For the delivery year beginning June 1,
25 2025, the baseline costs shall be an amount equal
26 to \$33.50 per megawatt-hour.

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

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

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

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

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

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

1 notice of successful bidders:

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

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

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

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

1 emissions; and

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

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

1 timely fashion.

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

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

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

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

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

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

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

1 (h) The Agency shall assess fees to each bidder to recover
2 the costs incurred in connection with a competitive
3 procurement process.

4 (i) A renewable energy credit, carbon emission credit, ~~or~~
5 zero emission credit, or carbon mitigation credit can only be
6 used once to comply with a single portfolio or other standard
7 as set forth in subsection (c), subsection (d), or subsection
8 (d-5) of this Section, respectively. A renewable energy
9 credit, carbon emission credit, ~~or~~ zero emission credit, or
10 carbon mitigation credit cannot be used to satisfy the
11 requirements of more than one standard. If more than one type
12 of credit is issued for the same megawatt hour of energy, only
13 one credit can be used to satisfy the requirements of a single
14 standard. After such use, the credit must be retired together
15 with any other credits issued for the same megawatt hour of
16 energy.

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

19 (20 ILCS 3855/1-92)

20 Sec. 1-92. Aggregation of electrical load by
21 municipalities, townships, and counties.

22 (a) The corporate authorities of a municipality, township
23 board, or county board of a county may adopt an ordinance under
24 which it may aggregate in accordance with this Section
25 residential and small commercial retail electrical loads

1 located, respectively, within the municipality, the township,
2 or the unincorporated areas of the county and, for that
3 purpose, may solicit bids and enter into service agreements to
4 facilitate for those loads the sale and purchase of
5 electricity and related services and equipment.

6 The corporate authorities, township board, or county board
7 may also exercise such authority jointly with any other
8 municipality, township, or county. Two or more municipalities,
9 townships, or counties, or a combination of both, may initiate
10 a process jointly to authorize aggregation by a majority vote
11 of each particular municipality, township, or county as
12 required by this Section.

13 If the corporate authorities, township board, or the
14 county board seek to operate the aggregation program as an
15 opt-out program for residential and small commercial retail
16 customers, then prior to the adoption of an ordinance with
17 respect to aggregation of residential and small commercial
18 retail electric loads, the corporate authorities of a
19 municipality, the township board, or the county board of a
20 county shall submit a referendum to its residents to determine
21 whether or not the aggregation program shall operate as an
22 opt-out program for residential and small commercial retail
23 customers. Any county board that seeks to submit such a
24 referendum to its residents shall do so only in unincorporated
25 areas of the county where no electric aggregation ordinance
26 has been adopted.

1 In addition to the notice and conduct requirements of the
2 general election law, notice of the referendum shall state
3 briefly the purpose of the referendum. The question of whether
4 the corporate authorities, the township board, or the county
5 board shall adopt an opt-out aggregation program for
6 residential and small commercial retail customers shall be
7 submitted to the electors of the municipality, township board,
8 or county board at a regular election and approved by a
9 majority of the electors voting on the question. The corporate
10 authorities, township board, or county board must certify to
11 the proper election authority, which must submit the question
12 at an election in accordance with the Election Code.

13 The election authority must submit the question in
14 substantially the following form:

15 Shall the (municipality, township, or county in which
16 the question is being voted upon) have the authority to
17 arrange for the supply of electricity for its residential
18 and small commercial retail customers who have not opted
19 out of such program?

20 The election authority must record the votes as "Yes" or "No".

21 If a majority of the electors voting on the question vote
22 in the affirmative, then the corporate authorities, township
23 board, or county board may implement an opt-out aggregation
24 program for residential and small commercial retail customers.

25 A referendum must pass in each particular municipality,
26 township, or county that is engaged in the aggregation

1 program. If the referendum fails, then the corporate
2 authorities, township board, or county board shall operate the
3 aggregation program as an opt-in program for residential and
4 small commercial retail customers.

5 An ordinance under this Section shall specify whether the
6 aggregation will occur only with the prior consent of each
7 person owning, occupying, controlling, or using an electric
8 load center proposed to be aggregated. Nothing in this
9 Section, however, authorizes the aggregation of electric loads
10 that are served or authorized to be served by an electric
11 cooperative as defined by and pursuant to the Electric
12 Supplier Act or loads served by a municipality that owns and
13 operates its own electric distribution system. No aggregation
14 shall take effect unless approved by a majority of the members
15 of the corporate authority, township board, or county board
16 voting upon the ordinance.

17 A governmental aggregator under this Section is not a
18 public utility or an alternative retail electric supplier.

19 For purposes of this Section, "township" means the portion
20 of a township that is an unincorporated portion of a county
21 that is not otherwise a part of a municipality. In addition to
22 such other limitations as are included in this Section, a
23 township board shall only have authority to aggregate
24 residential and small commercial customer loads in accordance
25 with this Section if the county board of the county in which
26 the township is located (i) is not also submitting a

1 referendum to its residents at the same general election that
2 the township board proposes to submit a referendum under this
3 subsection (a), (ii) has not received authorization through
4 passage of a referendum to operate an opt-out aggregation
5 program for residential and small commercial retail customers
6 under this subsection (a), and (iii) has not otherwise enacted
7 an ordinance under this subsection (a) authorizing the
8 operation of an opt-in aggregation program for residential and
9 small commercial retail customers as described in this
10 Section.

11 (b) Upon the applicable requisite authority under this
12 Section, the corporate authorities, the township board, or the
13 county board, with assistance from the Illinois Power Agency,
14 shall develop a plan of operation and governance for the
15 aggregation program so authorized. Before adopting a plan
16 under this Section, the corporate authorities, township board,
17 or county board shall hold at least 2 public hearings on the
18 plan. Before the first hearing, the corporate authorities,
19 township board, or county board shall publish notice of the
20 hearings once a week for 2 consecutive weeks in a newspaper of
21 general circulation in the jurisdiction. The notice shall
22 summarize the plan and state the date, time, and location of
23 each hearing. Any load aggregation plan established pursuant
24 to this Section shall:

25 (1) provide for universal access to all applicable
26 residential customers and equitable treatment of

1 applicable residential customers;

2 (2) describe demand management and energy efficiency
3 services to be provided to each class of customers; and

4 (3) meet any requirements established by law
5 concerning aggregated service offered pursuant to this
6 Section.

7 (c) The process for soliciting bids for electricity and
8 other related services and awarding proposed agreements for
9 the purchase of electricity and other related services shall
10 be conducted in the following order:

11 (1) The corporate authorities, township board, or
12 county board may solicit bids for electricity and other
13 related services. The bid specifications may include a
14 provision requiring the bidder to disclose the fuel type
15 of electricity to be procured or generated on behalf of
16 the aggregation program customers. The corporate
17 authorities, township board, or county board may consider
18 the proposed source of electricity to be procured or
19 generated to be put into the grid on behalf of aggregation
20 program customers in the competitive bidding process. The
21 Agency and Commission may collaborate to issue joint
22 guidance on voluntary uniform standards for bidder
23 disclosures of the source of electricity to be procured or
24 generated to be put into the grid on behalf of aggregation
25 program customers.

26 (1.5) A township board shall request from the electric

1 utility those residential and small commercial customers
2 within their aggregate area either by zip code or zip
3 codes or other means as determined by the electric
4 utility. The electric utility shall then provide to the
5 township board the residential and small commercial
6 customers, including the names and addresses of
7 residential and small commercial customers,
8 electronically. The township board shall be responsible
9 for authenticating the residential and small commercial
10 customers contained in this listing and providing edits of
11 the data to affirm, add, or delete the residential and
12 small commercial customers located within its
13 jurisdiction. The township board shall provide the edited
14 list to the electric utility in an electronic format or
15 other means selected by the electric utility and certify
16 that the information is accurate.

17 (2) Notwithstanding Section 16-122 of the Public
18 Utilities Act and Section 2HH of the Consumer Fraud and
19 Deceptive Business Practices Act, an electric utility that
20 provides residential and small commercial retail electric
21 service in the aggregate area must, upon request of the
22 corporate authorities, township board, or the county board
23 in the aggregate area, submit to the requesting party, in
24 an electronic format, those account numbers, names, and
25 addresses of residential and small commercial retail
26 customers in the aggregate area that are reflected in the

1 electric utility's records at the time of the request;
2 provided, however, that any township board has first
3 provided an accurate customer list to the electric utility
4 as provided for herein.

5 Any corporate authority, township board, or county board
6 receiving customer information from an electric utility shall
7 be subject to the limitations on the disclosure of the
8 information described in Section 16-122 of the Public
9 Utilities Act and Section 2HH of the Consumer Fraud and
10 Deceptive Business Practices Act, and an electric utility
11 shall not be held liable for any claims arising out of the
12 provision of information pursuant to this item (2).

13 (d) If the corporate authorities, township board, or
14 county board operate under an opt-in program for residential
15 and small commercial retail customers, then the corporate
16 authorities, township board, or county board shall comply with
17 all of the following:

18 (1) Within 60 days after receiving the bids, the
19 corporate authorities, township board, or county board
20 shall allow residential and small commercial retail
21 customers to commit to the terms and conditions of a bid
22 that has been selected by the corporate authorities,
23 township board, or county board.

24 (2) If (A) the corporate authorities, township board,
25 or county board award proposed agreements for the purchase
26 of electricity and other related services and (B) an

1 agreement is reached between the corporate authorities,
2 township board, or county board for those services, then
3 customers committed to the terms and conditions according
4 to item (1) of this subsection (d) shall be committed to
5 the agreement.

6 (e) If the corporate authorities, township board, or
7 county board operate as an opt-out program for residential and
8 small commercial retail customers, then it shall be the duty
9 of the aggregated entity to fully inform residential and small
10 commercial retail customers in advance that they have the
11 right to opt out of the aggregation program. The disclosure
12 shall prominently state all charges to be made and shall
13 include full disclosure of the cost to obtain service pursuant
14 to Section 16-103 of the Public Utilities Act, how to access
15 it, and the fact that it is available to them without penalty,
16 if they are currently receiving service under that Section.
17 The Illinois Power Agency shall furnish, without charge, to
18 any citizen a list of all supply options available to them in a
19 format that allows comparison of prices and products.

20 (f) Any person or entity retained by a municipality or
21 county, or jointly by more than one such unit of local
22 government, to provide input, guidance, or advice in the
23 selection of an electricity supplier for an aggregation
24 program shall disclose in writing to the involved units of
25 local government the nature of any relationship through which
26 the person or entity may receive, either directly or

1 indirectly, commissions or other remuneration as a result of
2 the selection of any particular electricity supplier. The
3 written disclosure must be made prior to formal approval by
4 the involved units of local government of any professional
5 services agreement with the person or entity, or no later than
6 October 1, 2012 with respect to any such professional services
7 agreement entered into prior to the effective date of this
8 amendatory Act of the 97th General Assembly. The disclosure
9 shall cover all direct and indirect relationships through
10 which commissions or remuneration may result, including the
11 pooling of commissions or remuneration among multiple persons
12 or entities, and shall identify all involved electricity
13 suppliers. The disclosure requirements in this subsection (f)
14 are to be liberally construed to ensure that the nature of
15 financial interests are fully revealed, and these disclosure
16 requirements shall apply regardless of whether the involved
17 person or entity is licensed under Section 16-115C of the
18 Public Utilities Act. Any person or entity that fails to make
19 the disclosure required under this subsection (f) is liable to
20 the involved units of local government in an amount equal to
21 all compensation paid to such person or entity by the units of
22 local government for the input, guidance, or advice in the
23 selection of an electricity supplier, plus reasonable
24 attorneys fees and court costs incurred by the units of local
25 government in connection with obtaining such amount.

26 (g) The Illinois Power Agency shall provide assistance to

1 municipalities, townships, counties, or associations working
2 with municipalities to help complete the plan and bidding
3 process.

4 (h) This Section does not prohibit municipalities or
5 counties from entering into an intergovernmental agreement to
6 aggregate residential and small commercial retail electric
7 loads.

8 (i) No later than June 1, 2023, the Illinois Power Agency
9 shall produce a report assessing how aggregation of electrical
10 load by municipalities, townships, and counties can be used to
11 help meet the renewable energy goals outlined in this Act.
12 This report shall contain, at a minimum, an assessment of
13 other states' utilization of load aggregation in meeting
14 renewable energy goals, any known or expected barriers in
15 utilizing load aggregation for meeting renewable energy goals,
16 and recommendations for possible changes in State law
17 necessary for electrical load aggregation to be a driver of
18 new renewable energy project development. This report shall be
19 published on the Agency's website and delivered to the
20 Governor and General Assembly. To assist with developing this
21 report, the Agency may retain the services of its expert
22 consulting firm used to develop its procurement plans as
23 provided in paragraph (1) of subsection (a) of Section 1-75.

24 (Source: P.A. 97-338, eff. 8-12-11; 97-823, eff. 7-18-12;
25 97-1067, eff. 8-24-12; 98-404, eff. 1-1-14; 98-434, eff.
26 1-1-14; 98-463, eff. 8-16-13; 98-756, eff. 7-16-14.)

1 (20 ILCS 3855/1-125)

2 Sec. 1-125. Agency annual reports.

3 (a) By February 15 of each year, the Agency shall report
4 annually to the Governor and the General Assembly on the
5 operations and transactions of the Agency. The annual report
6 shall include, but not be limited to, each of the following:

7 (1) The average quantity, price, and term of all
8 contracts for electricity procured under the procurement
9 plans for electric utilities.

10 (2) (Blank).

11 (3) The quantity, price, and rate impact of all energy
12 efficiency and demand response measures purchased for
13 electric utilities, and any measures included in the
14 procurement plan pursuant to Section 16-111.5B of the
15 Public Utilities Act.

16 (4) The amount of power and energy produced by each
17 Agency facility.

18 (5) The quantity of electricity supplied by each
19 Agency facility to municipal electric systems,
20 governmental aggregators, or rural electric cooperatives
21 in Illinois.

22 (6) The revenues as allocated by the Agency to each
23 facility.

24 (7) The costs as allocated by the Agency to each
25 facility.

1 (8) The accumulated depreciation for each facility.

2 (9) The status of any projects under development.

3 (10) Basic financial and operating information
4 specifically detailed for the reporting year and
5 including, but not limited to, income and expense
6 statements, balance sheets, and changes in financial
7 position, all in accordance with generally accepted
8 accounting principles, debt structure, and a summary of
9 funds on a cash basis.

10 (11) The average quantity, price, contract type and
11 term, and rate impact of all renewable resources procured
12 ~~purchased~~ under the long-term renewable resources
13 ~~electricity~~ procurement plans for electric utilities.

14 (12) A comparison of the costs associated with the
15 Agency's procurement of renewable energy resources to (A)
16 the Agency's costs associated with electricity generated
17 by other types of generation facilities and (B) the
18 benefits associated with the Agency's procurement of
19 renewable energy resources.

20 (13) An analysis of the rate impacts associated with
21 the Illinois Power Agency's procurement of renewable
22 resources, including, but not limited to, any long-term
23 contracts, on the eligible retail customers of electric
24 utilities. The analysis shall include the Agency's
25 estimate of the total dollar impact that the Agency's
26 procurement of renewable resources has had on the annual

1 electricity bills of the customer classes that comprise
2 each eligible retail customer class taking service from an
3 electric utility.

4 (14) (Blank). ~~An analysis of how the operation of the~~
5 ~~alternative compliance payment mechanism, any long term~~
6 ~~contracts, or other aspects of the applicable renewable~~
7 ~~portfolio standards impacts the rates of customers of~~
8 ~~alternative retail electric suppliers.~~

9 (b) In addition to reporting on the transactions and
10 operations of the Agency, the Agency shall also endeavor to
11 report on the following items through its annual report,
12 recognizing that full and accurate information may not be
13 available for certain items:

14 (1) The overall nameplate capacity amount of installed
15 and scheduled renewable energy generation capacity
16 physically located in Illinois.

17 (2) The percentage of installed and scheduled
18 renewable energy generation capacity as a share of overall
19 electricity generation capacity physically located in
20 Illinois.

21 (3) The amount of megawatt hours produced by renewable
22 energy generation capacity physically located in Illinois
23 for the preceding delivery year.

24 (4) The percentage of megawatt hours produced by
25 renewable energy generation capacity physically located in
26 Illinois as a share of overall electricity generation from

1 facilities physically located in Illinois for the
2 preceding delivery year.

3 (5) The renewable portfolio standard expenditures made
4 pursuant to paragraph (1) of subsection (c) of Section
5 1-75 and the total scheduled and installed renewable
6 generation capacity expected to result from these
7 investments. This information shall include the total cost
8 of REC delivery contracts of the renewable portfolio
9 standard by project category, including, but not limited
10 to, renewable energy credits delivery contracts entered
11 into pursuant to subparagraphs (C), (G), (K), and (R) of
12 paragraph (1) of subsection (c) Section 1-75. The Agency
13 shall also report on the total amount of customer load
14 featuring renewable portfolio standard compliance
15 obligations scheduled to be met by self-direct customers
16 pursuant to subparagraph (R) of paragraph (1) of
17 subsection (c) of Section 1-75, as well as the minimum
18 annual quantities of renewable energy credits scheduled to
19 be retired by those customers and amount of installed
20 renewable energy generating capacity used to meet the
21 requirements of subparagraph (R) of paragraph (1) of
22 subsection (c) of Section 1-75.

23 The Agency may seek assistance from the Illinois Commerce
24 Commission in developing its annual report and may also retain
25 the services of its expert consulting firm used to develop its
26 procurement plans as outlined in paragraph (1) of subsection

1 (a) of Section 1-75. Confidential or commercially sensitive
2 business information provided by retail customers, alternative
3 retail electric suppliers, or other parties shall be kept
4 confidential by the Agency consistent with Section 1-120, but
5 may be publicly reported in aggregate form.

6 (Source: P.A. 99-536, eff. 7-8-16.)

7 (20 ILCS 3855/1-128 new)

8 Sec. 1-128. Nonprofit Electric Generation Task Force.

9 (a) By January 1, 2028, the Nonprofit Electric Generation
10 Task Force shall be established to assess the technological,
11 economic, and regulatory feasibility as well as legislative
12 support mechanisms necessary to achieve the carbon emission
13 reduction targets described in Section 9.15 of the
14 Environmental Protection Act through the use of carbon
15 capture, sequestration, and utilization technology.

16 (b) The Task Force shall consist of the following members:

17 (1) one representative of the Prairie Research
18 Institute at the University of Illinois, appointed by the
19 Governor with the advice and consent of the Senate;

20 (2) one representative of an association representing
21 municipal utilities, joint municipal electric power
22 agencies, or municipal electric generators with an
23 ownership interest in Prairie State Generating Company,
24 appointed by the Governor with the advice and consent of
25 the Senate;

1 (3) one representative of an association of electric
2 cooperatives with ownership interests in Prairie State
3 Generating Company, appointed by the Governor with the
4 advice and consent of the Senate;

5 (4) one representative of a labor union or building
6 trade with technical experience at a coal generation
7 facility, appointed by the Governor with the advice and
8 consent of the Senate;

9 (5) the Director of Natural Resources, or his or her
10 designee;

11 (6) the Director of the Environmental Protection
12 Agency, or his or her designee;

13 (7) the Governor, or his or her designee;

14 (8) one expert in power sector reliability, appointed
15 by the Governor with the advice and consent of the Senate;

16 (9) one expert in financing large scale power sector
17 carbon reduction projects, appointed by the Governor with
18 the advice and consent of the Senate;

19 (10) one designee of the President of the Senate;

20 (11) one designee of the Speaker of the House;

21 (12) one designee of the Senate Minority Leader; and

22 (13) one designee of the House Minority Leader.

23 (c) The Task Force shall have the following duties:

24 (1) investigating the technical and financial options
25 to install carbon capture, sequestration, utilization, and
26 direct air capture at the Prairie State Generation Campus;

1 (2) assessing the existing regulatory construct and
2 any legislative support mechanisms necessary to reduce
3 carbon at the Prairie State Generating Company in
4 accordance with Section 9.15 of the Environmental
5 Protection Act; and

6 (3) preparing and filing a report with the Governor
7 and the General Assembly that sets forth the Task Force's
8 findings.

9 (d) The Task Force may hire an independent third-party
10 auditor with relevant financial expertise to conduct a
11 financial audit of the Prairie State Generating Company,
12 including an examination of potential financial solutions to
13 alleviate the existing indirect debt obligations facing the
14 joint indirect Prairie State Generating Company owners in
15 Illinois. The audit shall include a review of the existing
16 debt structure for the Prairie State Generating Company and
17 the individual finances of each joint direct company owner in
18 Illinois in order to recommend an appropriate and equitable
19 method for allocating any funds, whether from the State or
20 federal government, or any other legal source, that may be
21 provided to support the joint indirect owners in Illinois. Any
22 commercially sensitive information reviewed pursuant to this
23 audit shall be reasonably redacted from the Task Force's final
24 report and shall not be subject to disclosure under the
25 Freedom of Information Act.

1 Section 90-35. The State Finance Act is amended by adding
2 Sections 5.427, 5.935, 5.936, and 5.937 as follows:

3 (30 ILCS 105/5.427)

4 Sec. 5.427. The Electric Vehicle Rebate ~~Alternate Fuels~~
5 Fund.

6 (Source: P.A. 89-410; 89-626, eff. 8-9-96.)

7 (30 ILCS 105/5.935 new)

8 Sec. 5.935. The Coal to Solar and Energy Storage
9 Initiative Fund.

10 (30 ILCS 105/5.936 new)

11 Sec. 5.936. The Energy Transition Assistance Fund.

12 (30 ILCS 105/5.937 new)

13 Sec. 5.937. The Consumer Intervenor Compensation Fund.

14 Section 90-36. The Illinois Procurement Code is amended by
15 changing Section 1-10 as follows:

16 (30 ILCS 500/1-10)

17 Sec. 1-10. Application.

18 (a) This Code applies only to procurements for which
19 bidders, offerors, potential contractors, or contractors were
20 first solicited on or after July 1, 1998. This Code shall not

1 be construed to affect or impair any contract, or any
2 provision of a contract, entered into based on a solicitation
3 prior to the implementation date of this Code as described in
4 Article 99, including, but not limited to, any covenant
5 entered into with respect to any revenue bonds or similar
6 instruments. All procurements for which contracts are
7 solicited between the effective date of Articles 50 and 99 and
8 July 1, 1998 shall be substantially in accordance with this
9 Code and its intent.

10 (b) This Code shall apply regardless of the source of the
11 funds with which the contracts are paid, including federal
12 assistance moneys. This Code shall not apply to:

13 (1) Contracts between the State and its political
14 subdivisions or other governments, or between State
15 governmental bodies, except as specifically provided in
16 this Code.

17 (2) Grants, except for the filing requirements of
18 Section 20-80.

19 (3) Purchase of care, except as provided in Section
20 5-30.6 of the Illinois Public Aid Code and this Section.

21 (4) Hiring of an individual as employee and not as an
22 independent contractor, whether pursuant to an employment
23 code or policy or by contract directly with that
24 individual.

25 (5) Collective bargaining contracts.

26 (6) Purchase of real estate, except that notice of

1 this type of contract with a value of more than \$25,000
2 must be published in the Procurement Bulletin within 10
3 calendar days after the deed is recorded in the county of
4 jurisdiction. The notice shall identify the real estate
5 purchased, the names of all parties to the contract, the
6 value of the contract, and the effective date of the
7 contract.

8 (7) Contracts necessary to prepare for anticipated
9 litigation, enforcement actions, or investigations,
10 provided that the chief legal counsel to the Governor
11 shall give his or her prior approval when the procuring
12 agency is one subject to the jurisdiction of the Governor,
13 and provided that the chief legal counsel of any other
14 procuring entity subject to this Code shall give his or
15 her prior approval when the procuring entity is not one
16 subject to the jurisdiction of the Governor.

17 (8) (Blank).

18 (9) Procurement expenditures by the Illinois
19 Conservation Foundation when only private funds are used.

20 (10) (Blank).

21 (11) Public-private agreements entered into according
22 to the procurement requirements of Section 20 of the
23 Public-Private Partnerships for Transportation Act and
24 design-build agreements entered into according to the
25 procurement requirements of Section 25 of the
26 Public-Private Partnerships for Transportation Act.

1 (12) Contracts for legal, financial, and other
2 professional and artistic services entered into on or
3 before December 31, 2018 by the Illinois Finance Authority
4 in which the State of Illinois is not obligated. Such
5 contracts shall be awarded through a competitive process
6 authorized by the Board of the Illinois Finance Authority
7 and are subject to Sections 5-30, 20-160, 50-13, 50-20,
8 50-35, and 50-37 of this Code, as well as the final
9 approval by the Board of the Illinois Finance Authority of
10 the terms of the contract.

11 (13) Contracts for services, commodities, and
12 equipment to support the delivery of timely forensic
13 science services in consultation with and subject to the
14 approval of the Chief Procurement Officer as provided in
15 subsection (d) of Section 5-4-3a of the Unified Code of
16 Corrections, except for the requirements of Sections
17 20-60, 20-65, 20-70, and 20-160 and Article 50 of this
18 Code; however, the Chief Procurement Officer may, in
19 writing with justification, waive any certification
20 required under Article 50 of this Code. For any contracts
21 for services which are currently provided by members of a
22 collective bargaining agreement, the applicable terms of
23 the collective bargaining agreement concerning
24 subcontracting shall be followed.

25 On and after January 1, 2019, this paragraph (13),
26 except for this sentence, is inoperative.

1 (14) Contracts for participation expenditures required
2 by a domestic or international trade show or exhibition of
3 an exhibitor, member, or sponsor.

4 (15) Contracts with a railroad or utility that
5 requires the State to reimburse the railroad or utilities
6 for the relocation of utilities for construction or other
7 public purpose. Contracts included within this paragraph
8 (15) shall include, but not be limited to, those
9 associated with: relocations, crossings, installations,
10 and maintenance. For the purposes of this paragraph (15),
11 "railroad" means any form of non-highway ground
12 transportation that runs on rails or electromagnetic
13 guideways and "utility" means: (1) public utilities as
14 defined in Section 3-105 of the Public Utilities Act, (2)
15 telecommunications carriers as defined in Section 13-202
16 of the Public Utilities Act, (3) electric cooperatives as
17 defined in Section 3.4 of the Electric Supplier Act, (4)
18 telephone or telecommunications cooperatives as defined in
19 Section 13-212 of the Public Utilities Act, (5) rural
20 water or waste water systems with 10,000 connections or
21 less, (6) a holder as defined in Section 21-201 of the
22 Public Utilities Act, and (7) municipalities owning or
23 operating utility systems consisting of public utilities
24 as that term is defined in Section 11-117-2 of the
25 Illinois Municipal Code.

26 (16) Procurement expenditures necessary for the

1 Department of Public Health to provide the delivery of
2 timely newborn screening services in accordance with the
3 Newborn Metabolic Screening Act.

4 (17) Procurement expenditures necessary for the
5 Department of Agriculture, the Department of Financial and
6 Professional Regulation, the Department of Human Services,
7 and the Department of Public Health to implement the
8 Compassionate Use of Medical Cannabis Program and Opioid
9 Alternative Pilot Program requirements and ensure access
10 to medical cannabis for patients with debilitating medical
11 conditions in accordance with the Compassionate Use of
12 Medical Cannabis Program Act.

13 (18) This Code does not apply to any procurements
14 necessary for the Department of Agriculture, the
15 Department of Financial and Professional Regulation, the
16 Department of Human Services, the Department of Commerce
17 and Economic Opportunity, and the Department of Public
18 Health to implement the Cannabis Regulation and Tax Act if
19 the applicable agency has made a good faith determination
20 that it is necessary and appropriate for the expenditure
21 to fall within this exemption and if the process is
22 conducted in a manner substantially in accordance with the
23 requirements of Sections 20-160, 25-60, 30-22, 50-5,
24 50-10, 50-10.5, 50-12, 50-13, 50-15, 50-20, 50-21, 50-35,
25 50-36, 50-37, 50-38, and 50-50 of this Code; however, for
26 Section 50-35, compliance applies only to contracts or

1 subcontracts over \$100,000. Notice of each contract
2 entered into under this paragraph (18) that is related to
3 the procurement of goods and services identified in
4 paragraph (1) through (9) of this subsection shall be
5 published in the Procurement Bulletin within 14 calendar
6 days after contract execution. The Chief Procurement
7 Officer shall prescribe the form and content of the
8 notice. Each agency shall provide the Chief Procurement
9 Officer, on a monthly basis, in the form and content
10 prescribed by the Chief Procurement Officer, a report of
11 contracts that are related to the procurement of goods and
12 services identified in this subsection. At a minimum, this
13 report shall include the name of the contractor, a
14 description of the supply or service provided, the total
15 amount of the contract, the term of the contract, and the
16 exception to this Code utilized. A copy of any or all of
17 these contracts shall be made available to the Chief
18 Procurement Officer immediately upon request. The Chief
19 Procurement Officer shall submit a report to the Governor
20 and General Assembly no later than November 1 of each year
21 that includes, at a minimum, an annual summary of the
22 monthly information reported to the Chief Procurement
23 Officer. This exemption becomes inoperative 5 years after
24 June 25, 2019 (the effective date of Public Act 101-27)
25 ~~this amendatory Act of the 101st General Assembly.~~

26 (19) Procurement expenditures necessary for the

1 Illinois Commerce Commission to hire third-party
2 facilitators pursuant to Sections 16-105.17 and Section
3 16-108.18 of the Public Utilities Act or an ombudsman
4 pursuant to Section 16-107.5 of the Public Utilities Act,
5 a facilitator pursuant to Section 16-105.17 of the Public
6 Utilities Act, or a grid auditor pursuant to Section
7 16-105.10 of the Public Utilities Act.

8 Notwithstanding any other provision of law, for contracts
9 entered into on or after October 1, 2017 under an exemption
10 provided in any paragraph of this subsection (b), except
11 paragraph (1), (2), or (5), each State agency shall post to the
12 appropriate procurement bulletin the name of the contractor, a
13 description of the supply or service provided, the total
14 amount of the contract, the term of the contract, and the
15 exception to the Code utilized. The chief procurement officer
16 shall submit a report to the Governor and General Assembly no
17 later than November 1 of each year that shall include, at a
18 minimum, an annual summary of the monthly information reported
19 to the chief procurement officer.

20 (c) This Code does not apply to the electric power
21 procurement process provided for under Section 1-75 of the
22 Illinois Power Agency Act and Section 16-111.5 of the Public
23 Utilities Act.

24 (d) Except for Section 20-160 and Article 50 of this Code,
25 and as expressly required by Section 9.1 of the Illinois
26 Lottery Law, the provisions of this Code do not apply to the

1 procurement process provided for under Section 9.1 of the
2 Illinois Lottery Law.

3 (e) This Code does not apply to the process used by the
4 Capital Development Board to retain a person or entity to
5 assist the Capital Development Board with its duties related
6 to the determination of costs of a clean coal SNG brownfield
7 facility, as defined by Section 1-10 of the Illinois Power
8 Agency Act, as required in subsection (h-3) of Section 9-220
9 of the Public Utilities Act, including calculating the range
10 of capital costs, the range of operating and maintenance
11 costs, or the sequestration costs or monitoring the
12 construction of clean coal SNG brownfield facility for the
13 full duration of construction.

14 (f) (Blank).

15 (g) (Blank).

16 (h) This Code does not apply to the process to procure or
17 contracts entered into in accordance with Sections 11-5.2 and
18 11-5.3 of the Illinois Public Aid Code.

19 (i) Each chief procurement officer may access records
20 necessary to review whether a contract, purchase, or other
21 expenditure is or is not subject to the provisions of this
22 Code, unless such records would be subject to attorney-client
23 privilege.

24 (j) This Code does not apply to the process used by the
25 Capital Development Board to retain an artist or work or works
26 of art as required in Section 14 of the Capital Development

1 Board Act.

2 (k) This Code does not apply to the process to procure
3 contracts, or contracts entered into, by the State Board of
4 Elections or the State Electoral Board for hearing officers
5 appointed pursuant to the Election Code.

6 (l) This Code does not apply to the processes used by the
7 Illinois Student Assistance Commission to procure supplies and
8 services paid for from the private funds of the Illinois
9 Prepaid Tuition Fund. As used in this subsection (l), "private
10 funds" means funds derived from deposits paid into the
11 Illinois Prepaid Tuition Trust Fund and the earnings thereon.

12 (Source: P.A. 100-43, eff. 8-9-17; 100-580, eff. 3-12-18;
13 100-757, eff. 8-10-18; 100-1114, eff. 8-28-18; 101-27, eff.
14 6-25-19; 101-81, eff. 7-12-19; 101-363, eff. 8-9-19; revised
15 9-17-19.)

16 Section 90-37. The Business Enterprise for Minorities,
17 Women, and Persons with Disabilities Act is amended by
18 changing Sections 4f and 7 as follows:

19 (30 ILCS 575/4f)

20 (Text of Section before amendment by P.A. 101-657, Article
21 40, Section 40-130)

22 (Section scheduled to be repealed on June 30, 2024)

23 Sec. 4f. Award of State contracts.

24 (1) It is hereby declared to be the public policy of the

1 State of Illinois to promote and encourage each State agency
2 and public institution of higher education to use businesses
3 owned by minorities, women, and persons with disabilities in
4 the area of goods and services, including, but not limited to,
5 insurance services, investment management services,
6 information technology services, accounting services,
7 architectural and engineering services, and legal services.
8 Furthermore, each State agency and public institution of
9 higher education shall utilize such firms to the greatest
10 extent feasible within the bounds of financial and fiduciary
11 prudence, and take affirmative steps to remove any barriers to
12 the full participation of such firms in the procurement and
13 contracting opportunities afforded.

14 (a) When a State agency or public institution of
15 higher education, other than a community college, awards a
16 contract for insurance services, for each State agency or
17 public institution of higher education, it shall be the
18 aspirational goal to use insurance brokers owned by
19 minorities, women, and persons with disabilities as
20 defined by this Act, for not less than 20% of the total
21 annual premiums or fees; provided that, contracts
22 representing at least 11% of the total annual premiums or
23 fees shall be awarded to businesses owned by minorities;
24 contracts representing at least 7% of the total annual
25 premiums or fees shall be awarded to women-owned
26 businesses; and contracts representing at least 2% of the

1 total annual premiums or fees shall be awarded to
2 businesses owned by persons with disabilities.

3 (b) When a State agency or public institution of
4 higher education, other than a community college, awards a
5 contract for investment services, for each State agency or
6 public institution of higher education, it shall be the
7 aspirational goal to use emerging investment managers
8 owned by minorities, women, and persons with disabilities
9 as defined by this Act, for not less than 20% of the total
10 funds under management; provided that, contracts
11 representing at least 11% of the total funds under
12 management shall be awarded to businesses owned by
13 minorities; contracts representing at least 7% of the
14 total funds under management shall be awarded to
15 women-owned businesses; and contracts representing at
16 least 2% of the total funds under management shall be
17 awarded to businesses owned by persons with disabilities.
18 Furthermore, it is the aspirational goal that not less
19 than 20% of the direct asset managers of the State funds be
20 minorities, women, and persons with disabilities.

21 (c) When a State agency or public institution of
22 higher education, other than a community college, awards
23 contracts for information technology services, accounting
24 services, architectural and engineering services, and
25 legal services, for each State agency and public
26 institution of higher education, it shall be the

1 aspirational goal to use such firms owned by minorities,
2 women, and persons with disabilities as defined by this
3 Act and lawyers who are minorities, women, and persons
4 with disabilities as defined by this Act, for not less
5 than 20% of the total dollar amount of State contracts;
6 provided that, contracts representing at least 11% of the
7 total dollar amount of State contracts shall be awarded to
8 businesses owned by minorities or minority lawyers;
9 contracts representing at least 7% of the total dollar
10 amount of State contracts shall be awarded to women-owned
11 businesses or women who are lawyers; and contracts
12 representing at least 2% of the total dollar amount of
13 State contracts shall be awarded to businesses owned by
14 persons with disabilities or persons with disabilities who
15 are lawyers.

16 (d) When a community college awards a contract for
17 insurance services, investment services, information
18 technology services, accounting services, architectural
19 and engineering services, and legal services, it shall be
20 the aspirational goal of each community college to use
21 businesses owned by minorities, women, and persons with
22 disabilities as defined in this Act for not less than 20%
23 of the total amount spent on contracts for these services
24 collectively; provided that, contracts representing at
25 least 11% of the total amount spent on contracts for these
26 services shall be awarded to businesses owned by

1 minorities; contracts representing at least 7% of the
2 total amount spent on contracts for these services shall
3 be awarded to women-owned businesses; and contracts
4 representing at least 2% of the total amount spent on
5 contracts for these services shall be awarded to
6 businesses owned by persons with disabilities. When a
7 community college awards contracts for investment
8 services, contracts awarded to investment managers who are
9 not emerging investment managers as defined in this Act
10 shall not be considered businesses owned by minorities,
11 women, or persons with disabilities for the purposes of
12 this Section.

13 (e) When a State agency or public institution of
14 higher education issues competitive solicitations and the
15 award history for a service or supply category shows
16 awards to a class of business owners that are
17 underrepresented, the Council shall determine the reason
18 for the disparity and shall identify potential and
19 appropriate methods to minimize or eliminate the cause for
20 the disparity.

21 If any State agency or public institution of higher
22 education contract is eligible to be paid for or
23 reimbursed, in whole or in part, with federal-aid funds,
24 grants, or loans, and the provisions of this paragraph (e)
25 would result in the loss of those federal-aid funds,
26 grants, or loans, then the contract is exempt from the

1 provisions of this paragraph (e) in order to remain
2 eligible for those federal-aid funds, grants, or loans.

3 (2) As used in this Section:

4 "Accounting services" means the measurement,
5 processing and communication of financial information
6 about economic entities including, but is not limited to,
7 financial accounting, management accounting, auditing,
8 cost containment and auditing services, taxation and
9 accounting information systems.

10 "Architectural and engineering services" means
11 professional services of an architectural or engineering
12 nature, or incidental services, that members of the
13 architectural and engineering professions, and individuals
14 in their employ, may logically or justifiably perform,
15 including studies, investigations, surveying and mapping,
16 tests, evaluations, consultations, comprehensive
17 planning, program management, conceptual designs, plans
18 and specifications, value engineering, construction phase
19 services, soils engineering, drawing reviews, preparation
20 of operating and maintenance manuals, and other related
21 services.

22 "Emerging investment manager" means an investment
23 manager or claims consultant having assets under
24 management below \$10 billion or otherwise adjudicating
25 claims.

26 "Information technology services" means, but is not

1 limited to, specialized technology-oriented solutions by
2 combining the processes and functions of software,
3 hardware, networks, telecommunications, web designers,
4 cloud developing resellers, and electronics.

5 "Insurance broker" means an insurance brokerage firm,
6 claims administrator, or both, that procures, places all
7 lines of insurance, or administers claims with annual
8 premiums or fees of at least \$5,000,000 but not more than
9 \$10,000,000.

10 "Legal services" means work performed by a lawyer
11 including, but not limited to, contracts in anticipation
12 of litigation, enforcement actions, or investigations.

13 (3) Each State agency and public institution of higher
14 education shall adopt policies that identify its plan and
15 implementation procedures for increasing the use of service
16 firms owned by minorities, women, and persons with
17 disabilities.

18 (4) Except as provided in subsection (5), the Council
19 shall file no later than March 1 of each year an annual report
20 to the Governor, the Bureau on Apprenticeship Programs and
21 Clean Energy Jobs, and the General Assembly. The report filed
22 with the General Assembly shall be filed as required in
23 Section 3.1 of the General Assembly Organization Act. This
24 report shall: (i) identify the service firms used by each
25 State agency and public institution of higher education, (ii)
26 identify the actions it has undertaken to increase the use of

1 service firms owned by minorities, women, and persons with
2 disabilities, including encouraging non-minority-owned firms
3 to use other service firms owned by minorities, women, and
4 persons with disabilities as subcontractors when the
5 opportunities arise, (iii) state any recommendations made by
6 the Council to each State agency and public institution of
7 higher education to increase participation by the use of
8 service firms owned by minorities, women, and persons with
9 disabilities, and (iv) include the following:

10 (A) For insurance services: the names of the insurance
11 brokers or claims consultants used, the total of risk
12 managed by each State agency and public institution of
13 higher education by insurance brokers, the total
14 commissions, fees paid, or both, the lines or insurance
15 policies placed, and the amount of premiums placed; and
16 the percentage of the risk managed by insurance brokers,
17 the percentage of total commission, fees paid, or both,
18 the lines or insurance policies placed, and the amount of
19 premiums placed with each by the insurance brokers owned
20 by minorities, women, and persons with disabilities by
21 each State agency and public institution of higher
22 education.

23 (B) For investment management services: the names of
24 the investment managers used, the total funds under
25 management of investment managers; the total commissions,
26 fees paid, or both; the total and percentage of funds

1 under management of emerging investment managers owned by
2 minorities, women, and persons with disabilities,
3 including the total and percentage of total commissions,
4 fees paid, or both by each State agency and public
5 institution of higher education.

6 (C) The names of service firms, the percentage and
7 total dollar amount paid for professional services by
8 category by each State agency and public institution of
9 higher education.

10 (D) The names of service firms, the percentage and
11 total dollar amount paid for services by category to firms
12 owned by minorities, women, and persons with disabilities
13 by each State agency and public institution of higher
14 education.

15 (E) The total number of contracts awarded for services
16 by category and the total number of contracts awarded to
17 firms owned by minorities, women, and persons with
18 disabilities by each State agency and public institution
19 of higher education.

20 (5) For community college districts, the Business
21 Enterprise Council shall only report the following information
22 for each community college district: (i) the name of the
23 community colleges in the district, (ii) the name and contact
24 information of a person at each community college appointed to
25 be the single point of contact for vendors owned by
26 minorities, women, or persons with disabilities, (iii) the

1 policy of the community college district concerning certified
2 vendors, (iv) the certifications recognized by the community
3 college district for determining whether a business is owned
4 or controlled by a minority, woman, or person with a
5 disability, (v) outreach efforts conducted by the community
6 college district to increase the use of certified vendors,
7 (vi) the total expenditures by the community college district
8 in the prior fiscal year in the divisions of work specified in
9 paragraphs (a), (b), and (c) of subsection (1) of this Section
10 and the amount paid to certified vendors in those divisions of
11 work, and (vii) the total number of contracts entered into for
12 the divisions of work specified in paragraphs (a), (b), and
13 (c) of subsection (1) of this Section and the total number of
14 contracts awarded to certified vendors providing these
15 services to the community college district. The Business
16 Enterprise Council shall not make any utilization reports
17 under this Act for community college districts for Fiscal Year
18 2015 and Fiscal Year 2016, but shall make the report required
19 by this subsection for Fiscal Year 2017 and for each fiscal
20 year thereafter. The Business Enterprise Council shall report
21 the information in items (i), (ii), (iii), and (iv) of this
22 subsection beginning in September of 2016. The Business
23 Enterprise Council may collect the data needed to make its
24 report from the Illinois Community College Board.

25 (6) The status of the utilization of services shall be
26 discussed at each of the regularly scheduled Business

1 Enterprise Council meetings. Time shall be allotted for the
2 Council to receive, review, and discuss the progress of the
3 use of service firms owned by minorities, women, and persons
4 with disabilities by each State agency and public institution
5 of higher education; and any evidence regarding past or
6 present racial, ethnic, or gender-based discrimination which
7 directly impacts a State agency or public institution of
8 higher education contracting with such firms. If after
9 reviewing such evidence the Council finds that there is or has
10 been such discrimination against a specific group, race or
11 sex, the Council shall establish sheltered markets or adjust
12 existing sheltered markets tailored to address the Council's
13 specific findings for the divisions of work specified in
14 paragraphs (a), (b), and (c) of subsection (1) of this
15 Section.

16 (Source: P.A. 100-391, eff. 8-25-17; 101-170, eff. 1-1-20;
17 101-657, Article 5, Section 5-10, eff. 7-1-21 (See Section 25
18 of P.A. 102-29 for effective date of P.A. 101-657, Article 5,
19 Section 5-10); 102-29, eff. 6-25-21.)

20 (Text of Section after amendment by P.A. 101-657, Article
21 40, Section 40-130)

22 (Section scheduled to be repealed on June 30, 2024)

23 Sec. 4f. Award of State contracts.

24 (1) It is hereby declared to be the public policy of the
25 State of Illinois to promote and encourage each State agency

1 and public institution of higher education to use businesses
2 owned by minorities, women, and persons with disabilities in
3 the area of goods and services, including, but not limited to,
4 insurance services, investment management services,
5 information technology services, accounting services,
6 architectural and engineering services, and legal services.
7 Furthermore, each State agency and public institution of
8 higher education shall utilize such firms to the greatest
9 extent feasible within the bounds of financial and fiduciary
10 prudence, and take affirmative steps to remove any barriers to
11 the full participation of such firms in the procurement and
12 contracting opportunities afforded.

13 (a) When a State agency or public institution of
14 higher education, other than a community college, awards a
15 contract for insurance services, for each State agency or
16 public institution of higher education, it shall be the
17 aspirational goal to use insurance brokers owned by
18 minorities, women, and persons with disabilities as
19 defined by this Act, for not less than 20% of the total
20 annual premiums or fees; provided that, contracts
21 representing at least 11% of the total annual premiums or
22 fees shall be awarded to businesses owned by minorities;
23 contracts representing at least 7% of the total annual
24 premiums or fees shall be awarded to women-owned
25 businesses; and contracts representing at least 2% of the
26 total annual premiums or fees shall be awarded to

1 businesses owned by persons with disabilities.

2 (b) When a State agency or public institution of
3 higher education, other than a community college, awards a
4 contract for investment services, for each State agency or
5 public institution of higher education, it shall be the
6 aspirational goal to use emerging investment managers
7 owned by minorities, women, and persons with disabilities
8 as defined by this Act, for not less than 20% of the total
9 funds under management; provided that, contracts
10 representing at least 11% of the total funds under
11 management shall be awarded to businesses owned by
12 minorities; contracts representing at least 7% of the
13 total funds under management shall be awarded to
14 women-owned businesses; and contracts representing at
15 least 2% of the total funds under management shall be
16 awarded to businesses owned by persons with disabilities.
17 Furthermore, it is the aspirational goal that not less
18 than 20% of the direct asset managers of the State funds be
19 minorities, women, and persons with disabilities.

20 (c) When a State agency or public institution of
21 higher education, other than a community college, awards
22 contracts for information technology services, accounting
23 services, architectural and engineering services, and
24 legal services, for each State agency and public
25 institution of higher education, it shall be the
26 aspirational goal to use such firms owned by minorities,

1 women, and persons with disabilities as defined by this
2 Act and lawyers who are minorities, women, and persons
3 with disabilities as defined by this Act, for not less
4 than 20% of the total dollar amount of State contracts;
5 provided that, contracts representing at least 11% of the
6 total dollar amount of State contracts shall be awarded to
7 businesses owned by minorities or minority lawyers;
8 contracts representing at least 7% of the total dollar
9 amount of State contracts shall be awarded to women-owned
10 businesses or women who are lawyers; and contracts
11 representing at least 2% of the total dollar amount of
12 State contracts shall be awarded to businesses owned by
13 persons with disabilities or persons with disabilities who
14 are lawyers.

15 (d) When a community college awards a contract for
16 insurance services, investment services, information
17 technology services, accounting services, architectural
18 and engineering services, and legal services, it shall be
19 the aspirational goal of each community college to use
20 businesses owned by minorities, women, and persons with
21 disabilities as defined in this Act for not less than 20%
22 of the total amount spent on contracts for these services
23 collectively; provided that, contracts representing at
24 least 11% of the total amount spent on contracts for these
25 services shall be awarded to businesses owned by
26 minorities; contracts representing at least 7% of the

1 total amount spent on contracts for these services shall
2 be awarded to women-owned businesses; and contracts
3 representing at least 2% of the total amount spent on
4 contracts for these services shall be awarded to
5 businesses owned by persons with disabilities. When a
6 community college awards contracts for investment
7 services, contracts awarded to investment managers who are
8 not emerging investment managers as defined in this Act
9 shall not be considered businesses owned by minorities,
10 women, or persons with disabilities for the purposes of
11 this Section.

12 (2) As used in this Section:

13 "Accounting services" means the measurement,
14 processing and communication of financial information
15 about economic entities including, but is not limited to,
16 financial accounting, management accounting, auditing,
17 cost containment and auditing services, taxation and
18 accounting information systems.

19 "Architectural and engineering services" means
20 professional services of an architectural or engineering
21 nature, or incidental services, that members of the
22 architectural and engineering professions, and individuals
23 in their employ, may logically or justifiably perform,
24 including studies, investigations, surveying and mapping,
25 tests, evaluations, consultations, comprehensive
26 planning, program management, conceptual designs, plans

1 and specifications, value engineering, construction phase
2 services, soils engineering, drawing reviews, preparation
3 of operating and maintenance manuals, and other related
4 services.

5 "Emerging investment manager" means an investment
6 manager or claims consultant having assets under
7 management below \$10 billion or otherwise adjudicating
8 claims.

9 "Information technology services" means, but is not
10 limited to, specialized technology-oriented solutions by
11 combining the processes and functions of software,
12 hardware, networks, telecommunications, web designers,
13 cloud developing resellers, and electronics.

14 "Insurance broker" means an insurance brokerage firm,
15 claims administrator, or both, that procures, places all
16 lines of insurance, or administers claims with annual
17 premiums or fees of at least \$5,000,000 but not more than
18 \$10,000,000.

19 "Legal services" means work performed by a lawyer
20 including, but not limited to, contracts in anticipation
21 of litigation, enforcement actions, or investigations.

22 (3) Each State agency and public institution of higher
23 education shall adopt policies that identify its plan and
24 implementation procedures for increasing the use of service
25 firms owned by minorities, women, and persons with
26 disabilities. All plan and implementation procedures for

1 increasing the use of service firms owned by minorities,
2 women, and persons with disabilities must be submitted to and
3 approved by the Commission on Equity and Inclusion on an
4 annual basis.

5 (4) Except as provided in subsection (5), the Council
6 shall file no later than March 1 of each year an annual report
7 to the Governor, the Bureau on Apprenticeship Programs and
8 Clean Energy Jobs, and the General Assembly. The report filed
9 with the General Assembly shall be filed as required in
10 Section 3.1 of the General Assembly Organization Act. This
11 report shall: (i) identify the service firms used by each
12 State agency and public institution of higher education, (ii)
13 identify the actions it has undertaken to increase the use of
14 service firms owned by minorities, women, and persons with
15 disabilities, including encouraging non-minority-owned firms
16 to use other service firms owned by minorities, women, and
17 persons with disabilities as subcontractors when the
18 opportunities arise, (iii) state any recommendations made by
19 the Council to each State agency and public institution of
20 higher education to increase participation by the use of
21 service firms owned by minorities, women, and persons with
22 disabilities, and (iv) include the following:

23 (A) For insurance services: the names of the insurance
24 brokers or claims consultants used, the total of risk
25 managed by each State agency and public institution of
26 higher education by insurance brokers, the total

1 commissions, fees paid, or both, the lines or insurance
2 policies placed, and the amount of premiums placed; and
3 the percentage of the risk managed by insurance brokers,
4 the percentage of total commission, fees paid, or both,
5 the lines or insurance policies placed, and the amount of
6 premiums placed with each by the insurance brokers owned
7 by minorities, women, and persons with disabilities by
8 each State agency and public institution of higher
9 education.

10 (B) For investment management services: the names of
11 the investment managers used, the total funds under
12 management of investment managers; the total commissions,
13 fees paid, or both; the total and percentage of funds
14 under management of emerging investment managers owned by
15 minorities, women, and persons with disabilities,
16 including the total and percentage of total commissions,
17 fees paid, or both by each State agency and public
18 institution of higher education.

19 (C) The names of service firms, the percentage and
20 total dollar amount paid for professional services by
21 category by each State agency and public institution of
22 higher education.

23 (D) The names of service firms, the percentage and
24 total dollar amount paid for services by category to firms
25 owned by minorities, women, and persons with disabilities
26 by each State agency and public institution of higher

1 education.

2 (E) The total number of contracts awarded for services
3 by category and the total number of contracts awarded to
4 firms owned by minorities, women, and persons with
5 disabilities by each State agency and public institution
6 of higher education.

7 (5) For community college districts, the Business
8 Enterprise Council shall only report the following information
9 for each community college district: (i) the name of the
10 community colleges in the district, (ii) the name and contact
11 information of a person at each community college appointed to
12 be the single point of contact for vendors owned by
13 minorities, women, or persons with disabilities, (iii) the
14 policy of the community college district concerning certified
15 vendors, (iv) the certifications recognized by the community
16 college district for determining whether a business is owned
17 or controlled by a minority, woman, or person with a
18 disability, (v) outreach efforts conducted by the community
19 college district to increase the use of certified vendors,
20 (vi) the total expenditures by the community college district
21 in the prior fiscal year in the divisions of work specified in
22 paragraphs (a), (b), and (c) of subsection (1) of this Section
23 and the amount paid to certified vendors in those divisions of
24 work, and (vii) the total number of contracts entered into for
25 the divisions of work specified in paragraphs (a), (b), and
26 (c) of subsection (1) of this Section and the total number of

1 contracts awarded to certified vendors providing these
2 services to the community college district. The Business
3 Enterprise Council shall not make any utilization reports
4 under this Act for community college districts for Fiscal Year
5 2015 and Fiscal Year 2016, but shall make the report required
6 by this subsection for Fiscal Year 2017 and for each fiscal
7 year thereafter. The Business Enterprise Council shall report
8 the information in items (i), (ii), (iii), and (iv) of this
9 subsection beginning in September of 2016. The Business
10 Enterprise Council may collect the data needed to make its
11 report from the Illinois Community College Board.

12 (6) The status of the utilization of services shall be
13 discussed at each of the regularly scheduled Business
14 Enterprise Council meetings. Time shall be allotted for the
15 Council to receive, review, and discuss the progress of the
16 use of service firms owned by minorities, women, and persons
17 with disabilities by each State agency and public institution
18 of higher education; and any evidence regarding past or
19 present racial, ethnic, or gender-based discrimination which
20 directly impacts a State agency or public institution of
21 higher education contracting with such firms. If after
22 reviewing such evidence the Council finds that there is or has
23 been such discrimination against a specific group, race or
24 sex, the Council shall establish sheltered markets or adjust
25 existing sheltered markets tailored to address the Council's
26 specific findings for the divisions of work specified in

1 paragraphs (a), (b), and (c) of subsection (1) of this
2 Section.

3 (Source: P.A. 101-170, eff. 1-1-20; 101-657, Article 5,
4 Section 5-10, eff. 7-1-21 (See Section 25 of P.A. 102-29 for
5 effective date of P.A. 101-657, Article 5, Section 5-10);
6 101-657, Article 40, Section 40-130, eff. 1-1-22; 102-29, eff.
7 6-25-21.)

8 (30 ILCS 575/7) (from Ch. 127, par. 132.607)

9 (Text of Section before amendment by P.A. 101-657)

10 (Section scheduled to be repealed on June 30, 2024)

11 Sec. 7. Exemptions; waivers; publication of data.

12 (1) Individual contract exemptions. The Council, at the
13 written request of the affected agency, public institution of
14 higher education, or recipient of a grant or loan of State
15 funds of \$250,000 or more complying with Section 45 of the
16 State Finance Act, may permit an individual contract or
17 contract package, (related contracts being bid or awarded
18 simultaneously for the same project or improvements) be made
19 wholly or partially exempt from State contracting goals for
20 businesses owned by minorities, women, and persons with
21 disabilities prior to the advertisement for bids or
22 solicitation of proposals whenever there has been a
23 determination, reduced to writing and based on the best
24 information available at the time of the determination, that
25 there is an insufficient number of businesses owned by

1 minorities, women, and persons with disabilities to ensure
2 adequate competition and an expectation of reasonable prices
3 on bids or proposals solicited for the individual contract or
4 contract package in question. Any such exemptions shall be
5 given by the Council to the Bureau on Apprenticeship Programs
6 and Clean Energy Jobs.

7 (a) Written request for contract exemption. A written
8 request for an individual contract exemption must include,
9 but is not limited to, the following:

10 (i) a list of eligible businesses owned by
11 minorities, women, and persons with disabilities;

12 (ii) a clear demonstration that the number of
13 eligible businesses identified in subparagraph (i)
14 above is insufficient to ensure adequate competition;

15 (iii) the difference in cost between the contract
16 proposals being offered by businesses owned by
17 minorities, women, and persons with disabilities and
18 the agency or public institution of higher education's
19 expectations of reasonable prices on bids or proposals
20 within that class; and

21 (iv) a list of eligible businesses owned by
22 minorities, women, and persons with disabilities that
23 the contractor has used in the current and prior
24 fiscal years.

25 (b) Determination. The Council's determination
26 concerning an individual contract exemption must consider,

1 at a minimum, the following:

2 (i) the justification for the requested exemption,
3 including whether diligent efforts were undertaken to
4 identify and solicit eligible businesses owned by
5 minorities, women, and persons with disabilities;

6 (ii) the total number of exemptions granted to the
7 affected agency, public institution of higher
8 education, or recipient of a grant or loan of State
9 funds of \$250,000 or more complying with Section 45 of
10 the State Finance Act that have been granted by the
11 Council in the current and prior fiscal years; and

12 (iii) the percentage of contracts awarded by the
13 agency or public institution of higher education to
14 eligible businesses owned by minorities, women, and
15 persons with disabilities in the current and prior
16 fiscal years.

17 (2) Class exemptions.

18 (a) Creation. The Council, at the written request of
19 the affected agency or public institution of higher
20 education, may permit an entire class of contracts be made
21 exempt from State contracting goals for businesses owned
22 by minorities, women, and persons with disabilities
23 whenever there has been a determination, reduced to
24 writing and based on the best information available at the
25 time of the determination, that there is an insufficient
26 number of qualified businesses owned by minorities, women,

1 and persons with disabilities to ensure adequate
2 competition and an expectation of reasonable prices on
3 bids or proposals within that class. Any such exemption
4 shall be given by the Council to the Bureau on
5 Apprenticeship Programs and Clean Energy Jobs.

6 (a-1) Written request for class exemption. A written
7 request for a class exemption must include, but is not
8 limited to, the following:

9 (i) a list of eligible businesses owned by
10 minorities, women, and persons with disabilities;

11 (ii) a clear demonstration that the number of
12 eligible businesses identified in subparagraph (i)
13 above is insufficient to ensure adequate competition;

14 (iii) the difference in cost between the contract
15 proposals being offered by eligible businesses owned
16 by minorities, women, and persons with disabilities
17 and the agency or public institution of higher
18 education's expectations of reasonable prices on bids
19 or proposals within that class; and

20 (iv) the number of class exemptions the affected
21 agency or public institution of higher education
22 requested in the current and prior fiscal years.

23 (a-2) Determination. The Council's determination
24 concerning class exemptions must consider, at a minimum,
25 the following:

26 (i) the justification for the requested exemption,

1 including whether diligent efforts were undertaken to
2 identify and solicit eligible businesses owned by
3 minorities, women, and persons with disabilities;

4 (ii) the total number of class exemptions granted
5 to the requesting agency or public institution of
6 higher education that have been granted by the Council
7 in the current and prior fiscal years; and

8 (iii) the percentage of contracts awarded by the
9 agency or public institution of higher education to
10 eligible businesses owned by minorities, women, and
11 persons with disabilities the current and prior fiscal
12 years.

13 (b) Limitation. Any such class exemption shall not be
14 permitted for a period of more than one year at a time.

15 (3) Waivers. Where a particular contract requires a
16 contractor to meet a goal established pursuant to this Act,
17 the contractor shall have the right to request a waiver from
18 such requirements. The Council shall grant the waiver where
19 the contractor demonstrates that there has been made a good
20 faith effort to comply with the goals for participation by
21 businesses owned by minorities, women, and persons with
22 disabilities. Any such waiver shall also be transmitted in
23 writing to the Bureau on Apprenticeship Programs and Clean
24 Energy Jobs.

25 (a) Request for waiver. A contractor's request for a
26 waiver under this subsection (3) must include, but is not

1 limited to, the following, if available:

2 (i) a list of eligible businesses owned by
3 minorities, women, and persons with disabilities that
4 pertain to the class of contracts in the requested
5 waiver;

6 (ii) a clear demonstration that the number of
7 eligible businesses identified in subparagraph (i)
8 above is insufficient to ensure competition;

9 (iii) the difference in cost between the contract
10 proposals being offered by businesses owned by
11 minorities, women, and persons with disabilities and
12 the agency or the public institution of higher
13 education's expectations of reasonable prices on bids
14 or proposals within that class; and

15 (iv) a list of businesses owned by minorities,
16 women, and persons with disabilities that the
17 contractor has used in the current and prior fiscal
18 years.

19 (b) Determination. The Council's determination
20 concerning waivers must include following:

21 (i) the justification for the requested waiver,
22 including whether the requesting contractor made a
23 good faith effort to identify and solicit eligible
24 businesses owned by minorities, women, and persons
25 with disabilities;

26 (ii) the total number of waivers the contractor

1 has been granted by the Council in the current and
2 prior fiscal years;

3 (iii) the percentage of contracts awarded by the
4 agency or public institution of higher education to
5 eligible businesses owned by minorities, women, and
6 persons with disabilities in the current and prior
7 fiscal years; and

8 (iv) the contractor's use of businesses owned by
9 minorities, women, and persons with disabilities in
10 the current and prior fiscal years.

11 (3.5) (Blank).

12 (4) Conflict with other laws. In the event that any State
13 contract, which otherwise would be subject to the provisions
14 of this Act, is or becomes subject to federal laws or
15 regulations which conflict with the provisions of this Act or
16 actions of the State taken pursuant hereto, the provisions of
17 the federal laws or regulations shall apply and the contract
18 shall be interpreted and enforced accordingly.

19 (5) Each chief procurement officer, as defined in the
20 Illinois Procurement Code, shall maintain on his or her
21 official Internet website a database of the following: (i)
22 waivers granted under this Section with respect to contracts
23 under his or her jurisdiction; (ii) a State agency or public
24 institution of higher education's written request for an
25 exemption of an individual contract or an entire class of
26 contracts; and (iii) the Council's written determination

1 granting or denying a request for an exemption of an
2 individual contract or an entire class of contracts. The
3 database, which shall be updated periodically as necessary,
4 shall be searchable by contractor name and by contracting
5 State agency.

6 (6) Each chief procurement officer, as defined by the
7 Illinois Procurement Code, shall maintain on its website a
8 list of all firms that have been prohibited from bidding,
9 offering, or entering into a contract with the State of
10 Illinois as a result of violations of this Act.

11 Each public notice required by law of the award of a State
12 contract shall include for each bid or offer submitted for
13 that contract the following: (i) the bidder's or offeror's
14 name, (ii) the bid amount, (iii) the name or names of the
15 certified firms identified in the bidder's or offeror's
16 submitted utilization plan, and (iv) the bid's amount and
17 percentage of the contract awarded to businesses owned by
18 minorities, women, and persons with disabilities identified in
19 the utilization plan.

20 (Source: P.A. 100-391, eff. 8-25-17; 101-170, eff. 1-1-20;
21 101-601, eff. 1-1-20; 102-29, eff. 6-25-21.)

22 (Text of Section after amendment by P.A. 101-657)

23 (Section scheduled to be repealed on June 30, 2024)

24 Sec. 7. Exemptions; waivers; publication of data.

25 (1) Individual contract exemptions. The Council, at the

1 written request of the affected agency, public institution of
2 higher education, or recipient of a grant or loan of State
3 funds of \$250,000 or more complying with Section 45 of the
4 State Finance Act, may permit an individual contract or
5 contract package, (related contracts being bid or awarded
6 simultaneously for the same project or improvements) be made
7 wholly or partially exempt from State contracting goals for
8 businesses owned by minorities, women, and persons with
9 disabilities prior to the advertisement for bids or
10 solicitation of proposals whenever there has been a
11 determination, reduced to writing and based on the best
12 information available at the time of the determination, that
13 there is an insufficient number of businesses owned by
14 minorities, women, and persons with disabilities to ensure
15 adequate competition and an expectation of reasonable prices
16 on bids or proposals solicited for the individual contract or
17 contract package in question. Any such exemptions shall be
18 given by the Council to the Bureau on Apprenticeship Programs
19 and Clean Energy Jobs.

20 (a) Written request for contract exemption. A written
21 request for an individual contract exemption must include,
22 but is not limited to, the following:

23 (i) a list of eligible businesses owned by
24 minorities, women, and persons with disabilities;

25 (ii) a clear demonstration that the number of
26 eligible businesses identified in subparagraph (i)

1 above is insufficient to ensure adequate competition;

2 (iii) the difference in cost between the contract
3 proposals being offered by businesses owned by
4 minorities, women, and persons with disabilities and
5 the agency or public institution of higher education's
6 expectations of reasonable prices on bids or proposals
7 within that class; and

8 (iv) a list of eligible businesses owned by
9 minorities, women, and persons with disabilities that
10 the contractor has used in the current and prior
11 fiscal years.

12 (b) Determination. The Council's determination
13 concerning an individual contract exemption must consider,
14 at a minimum, the following:

15 (i) the justification for the requested exemption,
16 including whether diligent efforts were undertaken to
17 identify and solicit eligible businesses owned by
18 minorities, women, and persons with disabilities;

19 (ii) the total number of exemptions granted to the
20 affected agency, public institution of higher
21 education, or recipient of a grant or loan of State
22 funds of \$250,000 or more complying with Section 45 of
23 the State Finance Act that have been granted by the
24 Council in the current and prior fiscal years; and

25 (iii) the percentage of contracts awarded by the
26 agency or public institution of higher education to

1 eligible businesses owned by minorities, women, and
2 persons with disabilities in the current and prior
3 fiscal years.

4 (2) Class exemptions.

5 (a) Creation. The Council, at the written request of
6 the affected agency or public institution of higher
7 education, may permit an entire class of contracts be made
8 exempt from State contracting goals for businesses owned
9 by minorities, women, and persons with disabilities
10 whenever there has been a determination, reduced to
11 writing and based on the best information available at the
12 time of the determination, that there is an insufficient
13 number of qualified businesses owned by minorities, women,
14 and persons with disabilities to ensure adequate
15 competition and an expectation of reasonable prices on
16 bids or proposals within that class. Any such exemption
17 shall be given by the Council to the Bureau on
18 Apprenticeship Programs and Clean Energy Jobs.

19 (a-1) Written request for class exemption. A written
20 request for a class exemption must include, but is not
21 limited to, the following:

22 (i) a list of eligible businesses owned by
23 minorities, women, and persons with disabilities;

24 (ii) a clear demonstration that the number of
25 eligible businesses identified in subparagraph (i)
26 above is insufficient to ensure adequate competition;

1 (iii) the difference in cost between the contract
2 proposals being offered by eligible businesses owned
3 by minorities, women, and persons with disabilities
4 and the agency or public institution of higher
5 education's expectations of reasonable prices on bids
6 or proposals within that class; and

7 (iv) the number of class exemptions the affected
8 agency or public institution of higher education
9 requested in the current and prior fiscal years.

10 (a-2) Determination. The Council's determination
11 concerning class exemptions must consider, at a minimum,
12 the following:

13 (i) the justification for the requested exemption,
14 including whether diligent efforts were undertaken to
15 identify and solicit eligible businesses owned by
16 minorities, women, and persons with disabilities;

17 (ii) the total number of class exemptions granted
18 to the requesting agency or public institution of
19 higher education that have been granted by the Council
20 in the current and prior fiscal years; and

21 (iii) the percentage of contracts awarded by the
22 agency or public institution of higher education to
23 eligible businesses owned by minorities, women, and
24 persons with disabilities the current and prior fiscal
25 years.

26 (b) Limitation. Any such class exemption shall not be

1 permitted for a period of more than one year at a time.

2 (3) Waivers. Where a particular contract requires a
3 contractor to meet a goal established pursuant to this Act,
4 the contractor shall have the right to request a waiver from
5 such requirements prior to the contract award. The Council
6 shall grant the waiver when the contractor demonstrates that
7 there has been made a good faith effort to comply with the
8 goals for participation by businesses owned by minorities,
9 women, and persons with disabilities. Any such waiver shall
10 also be transmitted in writing to the Bureau on Apprenticeship
11 Programs and Clean Energy Jobs.

12 (a) Request for waiver. A contractor's request for a
13 waiver under this subsection (3) must include, but is not
14 limited to, the following, if available:

15 (i) a list of eligible businesses owned by
16 minorities, women, and persons with disabilities that
17 pertain to the scope of work of the contract. Eligible
18 businesses are only eligible if the business is
19 certified for the products or work advertised in the
20 solicitation;

21 (ii) (blank);

22 (iia) a clear demonstration that the contractor
23 selected portions of the work to be performed by
24 eligible businesses owned by minorities, women, and
25 persons with disabilities, solicited through all
26 reasonable and available means eligible businesses,

1 and negotiated in good faith with interested eligible
2 businesses;

3 (iib) documentation demonstrating that businesses
4 owned by minorities, women, and persons with
5 disabilities are not rejected as being unqualified
6 without sound reasons based on a thorough
7 investigation of their capabilities;

8 (iii) documentation demonstrating that the
9 contract proposals being offered by businesses owned
10 by minorities, women, and persons with disabilities
11 are excessive or unreasonable; and

12 (iv) a list of businesses owned by minorities,
13 women, and persons with disabilities that the
14 contractor has used in the current and prior fiscal
15 years.

16 (b) Determination. The Council's determination
17 concerning waivers must include following:

18 (i) the justification for the requested waiver,
19 including whether the requesting contractor made a
20 good faith effort to identify and solicit eligible
21 businesses owned by minorities, women, and persons
22 with disabilities;

23 (ii) the total number of waivers the contractor
24 has been granted by the Council in the current and
25 prior fiscal years;

26 (iii) (blank); and

1 (iv) the contractor's use of businesses owned by
2 minorities, women, and persons with disabilities in
3 the current and prior fiscal years.

4 (3.5) (Blank).

5 (4) Conflict with other laws. In the event that any State
6 contract, which otherwise would be subject to the provisions
7 of this Act, is or becomes subject to federal laws or
8 regulations which conflict with the provisions of this Act or
9 actions of the State taken pursuant hereto, the provisions of
10 the federal laws or regulations shall apply and the contract
11 shall be interpreted and enforced accordingly.

12 (5) Each chief procurement officer, as defined in the
13 Illinois Procurement Code, shall maintain on his or her
14 official Internet website a database of the following: (i)
15 waivers granted under this Section with respect to contracts
16 under his or her jurisdiction; (ii) a State agency or public
17 institution of higher education's written request for an
18 exemption of an individual contract or an entire class of
19 contracts; and (iii) the Council's written determination
20 granting or denying a request for an exemption of an
21 individual contract or an entire class of contracts. The
22 database, which shall be updated periodically as necessary,
23 shall be searchable by contractor name and by contracting
24 State agency.

25 (6) Each chief procurement officer, as defined by the
26 Illinois Procurement Code, shall maintain on its website a

1 list of all firms that have been prohibited from bidding,
2 offering, or entering into a contract with the State of
3 Illinois as a result of violations of this Act.

4 Each public notice required by law of the award of a State
5 contract shall include for each bid or offer submitted for
6 that contract the following: (i) the bidder's or offeror's
7 name, (ii) the bid amount, (iii) the name or names of the
8 certified firms identified in the bidder's or offeror's
9 submitted utilization plan, and (iv) the bid's amount and
10 percentage of the contract awarded to businesses owned by
11 minorities, women, and persons with disabilities identified in
12 the utilization plan.

13 (Source: P.A. 101-170, eff. 1-1-20; 101-601, eff. 1-1-20;
14 101-657, eff. 1-1-22; 102-29, eff. 6-25-21.)

15 Section 90-39. The Property Tax Code is amended by
16 changing Sections 1-130, 10-5, and 10-610 as follows:

17 (35 ILCS 200/1-130)

18 Sec. 1-130. Property; real property; real estate; land;
19 tract; lot.

20 (a) The land itself, with all things contained therein,
21 and also all buildings, structures and improvements, and other
22 permanent fixtures thereon, including all oil, gas, coal, and
23 other minerals in the land and the right to remove oil, gas and
24 other minerals, excluding coal, from the land, and all rights

1 and privileges belonging or pertaining thereto, except where
2 otherwise specified by this Code. Not included therein are
3 low-income housing tax credits authorized by Section 42 of the
4 Internal Revenue Code, 26 U.S.C. 42.

5 (b) Notwithstanding any other provision of law, mobile
6 homes and manufactured homes that (i) are located outside of
7 mobile home parks and (ii) are taxed under the Mobile Home
8 Local Services Tax Act on the effective date of this
9 amendatory Act of the 96th General Assembly shall continue to
10 be taxed under the Mobile Home Local Services Tax Act and shall
11 not be assessed and taxed as real property until the home is
12 sold or transferred or until the home is relocated to a
13 different parcel of land outside of a mobile home park. If a
14 mobile home or manufactured home described in this subsection
15 (b) is sold, transferred, or relocated to a different parcel
16 of land outside of a mobile home park, then the home shall be
17 assessed and taxed as real property whether or not that mobile
18 home or manufactured home is affixed to a permanent
19 foundation, as defined in Section 5-5 of the Conveyance and
20 Encumbrance of Manufactured Homes as Real Property and
21 Severance Act, or installed on a permanent foundation, and
22 whether or not such mobile home or manufactured home is real
23 property as defined in Section 5-35 of the Conveyance and
24 Encumbrance of Manufactured Homes as Real Property and
25 Severance Act. Mobile homes and manufactured homes that are
26 located outside of mobile home parks and assessed and taxed as

1 real property on the effective date of this amendatory Act of
2 the 96th General Assembly shall continue to be assessed and
3 taxed as real property whether or not those mobile homes or
4 manufactured homes are affixed to a permanent foundation as
5 defined in the Conveyance and Encumbrance of Manufactured
6 Homes as Real Property and Severance Act or installed on
7 permanent foundations and whether or not those mobile homes or
8 manufactured homes are real property as defined in the
9 Conveyance and Encumbrance of Manufactured Homes as Real
10 Property and Severance Act. If a mobile or manufactured home
11 that is located outside of a mobile home park is relocated to a
12 mobile home park, it must be considered chattel and must be
13 taxed according to the Mobile Home Local Services Tax Act. The
14 owner of a mobile home or manufactured home that is located
15 outside of a mobile home park may file a request with the chief
16 county assessment officer that the home be taxed as real
17 property.

18 (c) Mobile homes and manufactured homes that are located
19 in mobile home parks must be taxed according to the Mobile Home
20 Local Services Tax Act.

21 (d) If the provisions of this Section conflict with the
22 Illinois Manufactured Housing and Mobile Home Safety Act, the
23 Mobile Home Local Services Tax Act, the Mobile Home Park Act,
24 or any other provision of law with respect to the taxation of
25 mobile homes or manufactured homes located outside of mobile
26 home parks, the provisions of this Section shall control.

1 (e) Spent fuel pools and dry cask storage systems in which
2 nuclear fuel is stored and is pending further or final
3 disposal from a nuclear power plant that was decommissioned
4 before January 1, 2021 shall be considered real property and
5 be assessable. The chief county assessment officer shall
6 assess such property based on a national evaluation of the
7 effective value per pound of spent nuclear fuel, calculated by
8 examining assessments or PILOT agreements and documented
9 pounds of spent nuclear fuel, at nuclear power plants where
10 such property is similarly considered real property.

11 (Source: P.A. 98-749, eff. 7-16-14.)

12 (35 ILCS 200/10-5)

13 Sec. 10-5. Solar energy systems; definitions. It is the
14 policy of this State that the use of solar energy systems
15 should be encouraged because they conserve nonrenewable
16 resources, reduce pollution and promote the health and
17 well-being of the people of this State, and should be valued in
18 relation to these benefits.

19 (a) "Solar energy" means radiant energy received from the
20 sun at wave lengths suitable for heat transfer, photosynthetic
21 use, or photovoltaic use.

22 (b) "Solar collector" means

23 (1) An assembly, structure, or design, including
24 passive elements, used for gathering, concentrating, or
25 absorbing direct and indirect solar energy, specially

1 designed for holding a substantial amount of useful
2 thermal energy and to transfer that energy to a gas,
3 solid, or liquid or to use that energy directly; or

4 (2) A mechanism that absorbs solar energy and converts
5 it into electricity; or

6 (3) A mechanism or process used for gathering solar
7 energy through wind or thermal gradients; or

8 (4) A component used to transfer thermal energy to a
9 gas, solid, or liquid, or to convert it into electricity.

10 (c) "Solar storage mechanism" means equipment or elements
11 (such as piping and transfer mechanisms, containers, heat
12 exchangers, or controls thereof, and gases, solids, liquids,
13 or combinations thereof) that are utilized for storing solar
14 energy, gathered by a solar collector, for subsequent use.

15 (d) "Solar energy system" means

16 (1) (A) A complete assembly, structure, or design of
17 solar collector, or a solar storage mechanism, which uses
18 solar energy for generating electricity that is primarily
19 consumed on the property on which the solar energy system
20 resides, or for heating or cooling gases, solids, liquids,
21 or other materials for the primary benefit of the property
22 on which the solar energy system resides;

23 (B) The design, materials, or elements of a system and
24 its maintenance, operation, and labor components, and the
25 necessary components, if any, of supplemental conventional
26 energy systems designed or constructed to interface with a

1 solar energy system; ~~and~~

2 (C) Any legal, financial, or institutional orders,
3 certificates, or mechanisms, including easements, leases,
4 and agreements, required to ensure continued access to
5 solar energy, its source, or its use in a solar energy
6 system, and including monitoring and educational elements
7 of a demonstration project; ~~or.~~

8 (D) Photovoltaic electricity generation systems
9 subject to power purchase agreements or leases for solar
10 energy between a third-party owner, an operator, or both,
11 and an end user of electricity, where such systems are
12 located on the end user of electricity's side of the
13 electric meter and which primarily are used to offset the
14 electricity load of the end user behind whose electric
15 meter the system is connected. A system primarily is used
16 to offset the electricity load of the end user of
17 electricity if the system is estimated to produce 110% or
18 fewer kilowatt-hours of electricity than consumed by the
19 end user of electricity at such meter in the last 12 full
20 months prior to the system being placed in service.

21 (2) "Solar energy system" does not include:

22 (A) Distribution equipment that is equally usable
23 in a conventional energy system except for those
24 components of the equipment that are necessary for
25 meeting the requirements of efficient solar energy
26 utilization;

1 (B) Components of a solar energy system that serve
2 structural, insulating, protective, shading,
3 aesthetic, or other non-solar energy utilization
4 purposes, as defined in the regulations of the
5 Department of Commerce and Economic Opportunity; or
6 ~~and~~

7 (C) A commercial solar energy system, as defined
8 by this Code, in counties with fewer than 3,000,000
9 inhabitants.

10 (3) The solar energy system shall conform to the
11 standards for those systems established by regulation of
12 the Department of Commerce and Economic Opportunity.

13 (Source: P.A. 100-781, eff. 8-10-18.)

14 (35 ILCS 200/10-610)

15 Sec. 10-610. Applicability.

16 (a) The provisions of this Division apply for assessment
17 years 2007 through 2035 ~~2021~~.

18 (b) The provisions of this Division do not apply to wind
19 energy devices that are owned by any person or entity that is
20 otherwise exempt from taxation under the Property Tax Code.

21 (Source: P.A. 99-825, eff. 8-16-16.)

22 Section 90-43. The School Code is amended by changing
23 Section 10-22.11 as follows:

1 (105 ILCS 5/10-22.11) (from Ch. 122, par. 10-22.11)

2 Sec. 10-22.11. Lease of school property.

3 (a) To lease school property to another school district,
4 municipality or body politic and corporate for a term of not to
5 exceed 25 years, except as otherwise provided in this Section,
6 and upon such terms and conditions as may be agreed if in the
7 opinion of the school board use of such property will not be
8 needed by the district during the term of such lease;
9 provided, the school board shall not make or renew any lease
10 for a term longer than 10 years, nor alter the terms of any
11 lease whose unexpired term may exceed 10 years without the
12 vote of 2/3 of the full membership of the board.

13 (b) Whenever the school board considers such action
14 advisable and in the best interests of the school district, to
15 lease vacant school property for a period not exceeding 51
16 years to a private not for profit school organization for use
17 in the care of persons with a mental disability who are
18 trainable and educable in the district or in the education of
19 the gifted children in the district. Before leasing such
20 property to a private not for profit school organization, the
21 school board must adopt a resolution for the leasing of such
22 property, fixing the period and price therefor, and order
23 submitted to referendum at an election to be held in the
24 district as provided in the general election law, the question
25 of whether the lease should be entered into. Thereupon, the
26 secretary shall certify to the proper election authorities the

1 proposition for submission in accordance with the general
 2 election law. If the majority of the voters voting upon the
 3 proposition vote in favor of the leasing, the school board may
 4 proceed with the leasing. The proposition shall be in
 5 substantially the following form:

6 -----
 7 Shall School District No. of
 8 County, Illinois lease to YES
 9 (here name and identify the
 10 lessee) the following described vacant -----
 11 school property (here describe the
 12 property) for a term of years NO
 13 for the sum of Dollars?

14 -----

15 This paragraph (b) shall not be construed in such a manner
 16 as to relieve the responsibility of the Board of Education as
 17 set out in Article 14 of the School Code.

18 (c) To lease school buildings and land to suitable lessees
 19 for educational purposes or for any other purpose which serves
 20 the interests of the community, for a term not to exceed 25
 21 years and upon such terms and conditions as may be agreed upon
 22 by the parties, when such buildings and land are declared by
 23 the board to be unnecessary or unsuitable or inconvenient for
 24 a school or the uses of the district during the term of the
 25 lease and when, in the opinion of the board, the best interests
 26 of the residents of the school district will be enhanced by

1 entering into such a lease. Such leases shall include
2 provisions for adequate insurance for both liability and
3 property damage or loss, and reasonable charges for
4 maintenance and depreciation of such buildings and land.

5 (d) Notwithstanding any other provision to the contrary, a
6 lease for vacant school property may exceed 25 years for
7 renewable energy resources, as defined in Section 1-10 of the
8 Illinois Power Agency Act.

9 (Source: P.A. 99-143, eff. 7-27-15.)

10 Section 90-50. The Public Utilities Act is amended by
11 changing Sections 5-117, 8-103B, 8-406, 9-241, 16-107.5,
12 16-107.6, 16-108, 16-111.5, and 16-127 and by adding Sections
13 4-604, 4-604.5, 4-605, 8-201.7, 8-201.8, 8-201.9, 8-201.10,
14 8-218, 8-402.2, 8-512, 9-228, 9-229, 16-105.5, 16-105.6,
15 16-105.7, 16-105.10, 16-105.17, 16-108.18, 16-108.19,
16 16-108.20, 16-108.21, 16-108.25, 16-108.30, 16-111.10, 16-135,
17 and 17-900 as follows:

18 (220 ILCS 5/4-604 new)

19 Sec. 4-604. Electric and gas public utilities ethical
20 conduct and transparency.

21 (a) It is the policy of this State that, as regulated,
22 monopoly entities providing essential services, public
23 utilities must adhere to the highest standards of ethical
24 conduct. It is in the public interest to ensure ethical public

1 utility conduct of the highest standards. It is therefore
2 necessary for the public interest, safety, and welfare of the
3 State and of public utility customers to develop rigorous
4 ethical standards and scrutinize and limit public utility
5 actions, expenditures, and contracting. It is also necessary
6 to provide increased transparency to ensure ethical public
7 utility conduct.

8 (b) The standards set forth in this Section and the
9 Illinois Administrative Code rules implementing this Section
10 shall apply, to the extent practicable, to electric and gas
11 public utilities and their energy-related affiliates.

12 (c) Public Utility Ethics and Compliance Monitor. To
13 ensure that public utilities meet the highest level of ethical
14 standards, including, but not limited to, those standards
15 established in this Section, the Commission shall, within 60
16 days after the effective date of this amendatory Act of the
17 102nd General Assembly, establish an Ethics and Accountability
18 Division at the Commission and shall create a new position of
19 Public Utility Ethics and Compliance Monitor who reports to
20 the Executive Director of the Commission. The role of the
21 Public Utility Ethics and Compliance Monitor shall be to
22 oversee electric and gas public utilities' compliance with the
23 standards established in this Section, the Illinois
24 Administrative Code, and any other regulatory or statutory
25 obligation regarding standards of ethical conduct. The
26 responsibilities of the Public Utility Ethics and Compliance

1 Monitor shall include:

2 (1) Hiring additional staff for the Ethics and
3 Accountability Division, as deemed necessary to fulfill
4 the duties imposed under this Section.

5 (2) Overseeing each public utility's Chief Compliance
6 and Ethics Officer's monitoring, auditing, investigation,
7 enforcement, reporting, disciplinary activities, and any
8 other actions required of the Chief Compliance and Ethics
9 Officer pursuant to subsection (d) of this Section. If the
10 Public Utility Ethics and Compliance Monitor finds a
11 public utility has not complied with the standards set
12 forth in this Section, or with administrative rules
13 implementing this Section, the Public Utility Ethics and
14 Compliance Monitor shall detail such deficiencies in a
15 report to the Commission and shall include a
16 recommendation for Commission action.

17 (3) Documenting violations of the standards in this
18 Section or in related Sections of the Illinois
19 Administrative Code and, in coordination with the
20 utility's Chief Compliance and Ethics Officer, ensuring
21 each public utility administers appropriate internal
22 disciplinary actions and provides transparent reporting to
23 the Commission. If there are violations of the standards
24 in this Section or in related Sections of the Illinois
25 Administrative Code where the public utility does not take
26 disciplinary action or where that action is not aligned

1 with the recommendation of the Public Utility Ethics and
2 Compliance Monitor, the Public Utility Ethics and
3 Compliance Monitor shall, within 30 days, report the
4 violation, the recommended disciplinary action, and the
5 public utility's actual disciplinary action, to the
6 Executive Director of the Commission. Such reports shall
7 be included in the annual ethics report required by
8 paragraph (5) of this subsection (c) and must describe the
9 violation and related recommendations.

10 (4) Reviewing and keeping informed regarding internal
11 controls, code of ethical conduct, practices, procedures,
12 and conduct of each public utility. The Public Utilities
13 Ethics and Compliance Monitor may recommend any new
14 internal controls, policies, practices or procedures the
15 public utility should undertake in order to ensure
16 compliance with this Section and with relevant Sections of
17 the Illinois Administrative Code.

18 (5) Publishing an annual ethics audit for each
19 electric and gas public utility describing the public
20 utility's internal controls, policies, practices, and
21 procedures to comply with statutes, rules, court orders,
22 or other applicable authority. The report shall include a
23 record of any disciplinary actions taken related to
24 unethical conduct as well as any recommendations made by
25 the Public Utility Ethics and Compliance Monitor and the
26 public utility's response to each recommendation. This

1 report must be made public and the Commission may make
2 necessary redactions.

3 (6) Monitoring, auditing, and subpoenaing all records
4 necessary for the Public Utility Ethics and Compliance
5 Monitor to meet the responsibilities imposed under this
6 Section and related rules, including, but not limited to,
7 contracts with third party entities, accounting records,
8 communication with public officials or their staff,
9 lobbying activities, expenses on lobbyists and
10 consultants, legal expenses, and internal compliance
11 policies.

12 (d)(1) No later than 60 days after the effective date of
13 this amendatory Act of the 102nd General Assembly, each public
14 utility shall establish a position of Chief Ethics and
15 Compliance Officer if such position does not already exist
16 within the utility or at an affiliated company, provided that
17 if the position exists at an affiliated company such
18 individual may be designated to serve in this role for the
19 utility. The Chief Ethics and Compliance Officer shall be
20 responsible for ensuring that the public utility complies with
21 the highest standards of ethical conduct, including, but not
22 limited to, complying with the standards imposed under this
23 Section, those adopted pursuant to a rulemaking authorized by
24 this Section, and other applicable requirements of Illinois
25 law and rules.

26 (2) Each public utility's Chief Ethics and Compliance

1 Officer shall:

2 (A) oversee creation and implementation of a code of
3 ethical conduct for the public utility, applicable to all
4 directors, officers, employees, and lobbyists of the
5 public utility, as well as to all contractors,
6 consultants, agents, vendors, and business partners of the
7 public utility in connection with their activities with or
8 on behalf of the public utility;

9 (B) oversee training for public utility directors,
10 officers, and employees, as well as contractors,
11 consultants, lobbyists and political consultants, on the
12 public utility's code of ethical conduct, practices, and
13 procedures to advise agents, vendors, and business
14 partners of the public utility of the applicability of the
15 code of ethical conduct to their activities with or on
16 behalf of the public utility;

17 (C) oversee the ongoing monitoring of all contractors,
18 consultants, and vendors who are contracted for the
19 purpose of carrying out lobbying activities to ensure
20 their continued compliance with applicable ethical
21 standards;

22 (D) at least annually, oversee a review of the public
23 utility's internal controls, code of ethical conduct,
24 practices, and procedures to assess their continued
25 effectiveness to ensure the highest standards of ethical
26 conduct among the public utility's directors, officers,

1 employees, contractors, consultants, lobbyists, vendors,
2 agents and business partners; and

3 (E) maintain records of all conduct determined to be
4 in violation of Illinois law, rules, and regulations, and
5 the utility's response to that conduct, and make such
6 records available for inspection by the Public Utility
7 Ethics and Compliance Monitor.

8 (e) In addition to those standards established under this
9 Section, those adopted pursuant to a rulemaking authorized by
10 this Section, and other applicable requirements of Illinois
11 law and rules, each public utility Chief Ethics and Compliance
12 Officer shall oversee and ensure the development and
13 implementation of internal controls, policies, and procedures
14 to achieve the objectives set forth in paragraphs (1) through
15 (3) of this subsection. Such implementation shall begin no
16 later than 90 days after the effective date of this amendatory
17 Act of the 102nd General Assembly.

18 (1) The hiring of contractors, consultants and vendors
19 for the purpose of carrying out lobbying pursuant to the
20 Lobbyist Registration Act shall be reviewed and approved
21 by the Chief Ethics and Compliance Officer.

22 (2) No agreement between a public utility and a
23 contractor, consultant, or vendor engaged for the purpose
24 of carrying out lobbying pursuant to the Lobbyist
25 Registration Act shall permit that contractor, consultant,
26 or vendor to subcontract any portion of that work.

1 (3) Public utilities shall require contractors,
2 consultants, and vendors who are contracted for the
3 purpose of carrying out lobbying pursuant to the Lobbyist
4 Registration Act to provide detailed invoices and reports
5 describing activities taken and amounts billed for such
6 activities, including all persons involved and anything of
7 value requested or solicited or provided to public
8 officials or their staff, including hiring requests. No
9 such contractor, consultant, or vendor shall be paid
10 without having first submitted a detailed invoice or
11 report.

12 For purposes of this Section, "anything of value"
13 includes, but is not limited to, money, gifts,
14 entertainment, hiring referrals and recommendations to the
15 public utility, campaign contributions, vendor referrals,
16 and contributions to charitable organizations solicited by
17 or on behalf of the public official.

18 (f) Each public utility shall be required to submit an
19 annual ethics and compliance report to the Commission no later
20 than May 1 of each year, beginning May 1, 2022. The utility's
21 Chief Ethics and Compliance Officer shall oversee the
22 preparation and submission of the report and shall certify it.
23 Each report shall describe in detail the public utility's
24 internal controls, codes of ethical conduct, practices, and
25 procedures. The reporting implemented during the reporting
26 period to comply with the standards set forth in this Section,

1 rules adopted by the Commission, and other applicable
2 requirements of Illinois law and rules. Each report shall also
3 identify any material changes implemented to such internal
4 controls, code of ethical conduct, practices, and procedures
5 during the reporting period, as well as any material changes
6 implemented, or anticipated to be implemented, in the calendar
7 year in which the report is filed. Each report shall, for the
8 applicable reporting period include at least the following
9 information:

10 (1) a summary and description of the public utility's
11 system of financial and accounting procedures, internal
12 controls, and practices, including an explanation of how
13 this system is reasonably designed to ensure the
14 maintenance of fair and accurate books, records, and
15 accounts and to provide reasonable assurances that
16 transactions are recorded as necessary to permit
17 preparation of financial statements in conformity with
18 generally accepted accounting principles and Commission
19 requirements and to maintain accountability for assets;

20 (2) a summary and description of the public utility's
21 process for conducting an assessment of ethics and
22 compliance risks and a representation that an assessment
23 was conducted in accordance with those risks and shared
24 with the public utility's senior management and board of
25 directors;

26 (3) a summary of the public utility's implementation

1 of mechanisms, including, but not limited to, training
2 programs designed to ensure that its internal controls,
3 code of ethical conduct, practices, and procedures are
4 effectively communicated to all directors, officers,
5 employees, contractors, consultants, lobbyists, vendors,
6 agents, and business partners;

7 (4) a summary of the public utility's efforts to
8 ensure that its directors and senior management provide
9 strong, explicit, and visible support and commitment to
10 its corporate policy against violations of federal and
11 State law;

12 (5) a summary of the public utility's implementation
13 of mechanisms designed to effectively enforce its internal
14 controls, code of ethical conduct, practices, and
15 procedures, including appropriately providing incentives
16 for compliance, disciplining violators, and applying such
17 code, controls, policies, practices, and procedures
18 consistently and fairly regardless of the position held
19 by, or the importance of, the director, officer, or
20 employee; and

21 (6) a summary of the public utility's implementation
22 of procedures to ensure that, where misconduct is
23 discovered, reasonable steps are taken to remedy the harm
24 resulting from such misconduct, including disciplinary
25 action, logging the conduct and the utility's response as
26 required by item (E) of paragraph (2) of subsection (d) of

1 this Section and assessing and modifying as appropriate
2 the internal controls, code, policies, practices and
3 procedures necessary to ensure that the compliance program
4 is effective.

5 For purposes of this Section, "reporting period" means
6 the most recent 12-month calendar year period preceding
7 the applicable May 1 annual report filing date.

8 (g) Notwithstanding the provisions of this Section, the
9 Commission shall initiate a management audit pursuant to
10 Section 8-102 of this Act by the later of 18 months after the
11 effective date of this amendatory Act of the 102nd General
12 Assembly or 18 months after a conviction or a plea or agreement
13 of each public utility that, on or after January 1, 2020, has
14 been found guilty or entered a guilty plea regarding any
15 felony offense or has entered into a Deferred Prosecution
16 Agreement for a felony offense. Such audit shall address, at a
17 minimum, the topics identified in paragraphs (1) through (6)
18 of subsection (f).

19 (h) Each public utility that files a report pursuant to
20 subsection (f) must submit the specified filing fee at the
21 time the Chief Clerk of the Commission accepts the filing. The
22 filing fees applicable to each annual report are as follows:
23 \$15,000 for public utilities that serve fewer than 100,000
24 customers in the State; \$75,000 for public utilities that
25 serve at least 100,000 customers but not more than 500,000
26 customers in the State; \$200,000 for public utilities that

1 serve at least 500,000 customers in the State but not more than
2 3,000,000; and \$500,000 for public utilities that serve at
3 least 3,000,000 customers in the State.

4 (i) In the event the Public Utility Ethics and Compliance
5 Monitor finds a public utility does not comply with any
6 portion of this Section, or with the rules adopted under this
7 Section, the Public Utility Ethics and Compliance Monitor
8 shall issue a Report to the Commission detailing the public
9 utility's deficiencies. The Commission shall have authority to
10 open an investigation and shall order remediation and
11 penalties, including fines, as appropriate.

12 (j) Each year, each public utility in the State shall
13 remit amounts necessary for the Commission to pay the wages,
14 overhead, travel expenses, and other costs of the Public
15 Utility Ethics and Compliance Monitor. The public utility
16 shall remit payment to the Commission in an amount determined
17 by the Commission based on that public utility's proportional
18 share, by number of customers.

19 (k) The costs of a public utility that arise from a
20 criminal investigation or result from an investigation
21 initiated by the Commission as the result of an ethics
22 violation are not costs of service and shall not be
23 recoverable in rates.

24 (l) The Commission shall have the authority to adopt rules
25 and emergency rules where applicable to implement this
26 Section.

1 (220 ILCS 5/4-604.5 new)

2 Sec. 4-604.5. Restitution for misconduct.

3 (a) It is the policy of this State that public utility
4 ethical and criminal misconduct shall not be tolerated. The
5 General Assembly finds it necessary to collect restitution, to
6 be distributed as described in subsection (e), from a public
7 utility that has been found guilty of violations of criminal
8 law or that has entered into a Deferred Prosecution Agreement
9 that details violations of criminal law that result in harm to
10 ratepayers.

11 (b) In light of such violations, the Illinois Commerce
12 Commission shall, within 150 days after the effective date of
13 this amendatory Act of the 102nd General Assembly, initiate an
14 investigation as to whether Commonwealth Edison collected,
15 spent, allocated, transferred, remitted, or caused in any
16 other way to be expended ratepayer funds in connection with
17 the conduct detailed in the Deferred Prosecution Agreement of
18 July 16, 2020 between the United States Attorney for the
19 Northern District of Illinois and Commonwealth Edison. The
20 investigation shall also determine whether any ratepayer funds
21 were used to pay the criminal penalty agreed to in the Deferred
22 Prosecution Agreement. The investigation shall determine
23 whether the public utility collected, spent, allocated,
24 transferred, remitted, or caused in any other way to be
25 expended ratepayer funds that were not lawfully recoverable

1 through rates, and which should accordingly be refunded to
2 ratepayers and calculate such benefits to initiate a refund to
3 ratepayers as a result of such conduct. The investigation
4 shall conclude no later than 330 days following initiation and
5 shall be conducted as a contested case, as defined in Section
6 1-30 of the Illinois Administrative Procedure Act.

7 (c) If regulated entities are found guilty of criminal
8 conduct, the Commission may initiate an investigation, impose
9 penalties, order restitution and such other remedies it deems
10 necessary, and initiate refunds to ratepayers as described in
11 subsection (b). Such investigation and proceeding may commence
12 within 150 days of a finding of guilt. Any funds collected
13 pursuant to this subsection shall be distributed as described
14 in subsection (e). The Commission may order any other remedies
15 it deems necessary.

16 (d) Pursuant to subsection (e), the investigation shall
17 calculate a schedule for remittance to State funds and to
18 ratepayers, over a period of no more than 4 years, to be paid
19 by the public utility from profits, returns, or shareholder
20 dollars. No costs related to the investigation or contested
21 proceeding authorized by this Section, restitution, or refunds
22 may be recoverable through rates.

23 (e) Funds collected pursuant to this Section, for the
24 purposes of restitution, shall be repaid by the public utility
25 as a per therm or per-kilowatt-hour credit to the public
26 utility's ratepayers as a separate line item on the utility

1 bill.

2 (f) No public utility may use ratepayer funds to pay a
3 criminal penalty imposed by any local, State, or federal law
4 enforcement entity or court.

5 (g) Any penalties, restitution, refunds, or remedies
6 provided for in this Section are in addition to and not a
7 substitution for other remedies that may be provided for by
8 law.

9 (220 ILCS 5/4-605 new)

10 Sec. 4-605. Reliability mitigation plan findings. The
11 General Assembly finds that reducing carbon dioxide and
12 copollutant emissions in a manner that does not threaten
13 electric reliability and resource adequacy is essential to the
14 health and safety of all Illinois citizens. Therefore, the
15 Commission shall review reliability mitigation plans filed
16 pursuant to Section 9.15 of the Environmental Protection Act
17 to ensure adequate, reliable, affordable, efficient, and
18 environmentally sustainable electric service is available to
19 ratepayers by approving reliability mitigation plans that
20 permit the Illinois Pollution Control Board to enforce
21 emission reductions in a manner that preserves reliability and
22 resource adequacy in wholesale and retail electricity markets.

23 (220 ILCS 5/5-117)

24 Sec. 5-117. Supplier diversity goals.

1 (a) The public policy of this State is to collaboratively
2 work with companies that serve Illinois residents to improve
3 their supplier diversity in a non-antagonistic manner.

4 (b) The Commission shall require all gas, electric, and
5 water companies with at least 100,000 customers under its
6 authority, as well as suppliers of wind energy, solar energy,
7 hydroelectricity, nuclear energy, and any other supplier of
8 energy within this State other than wind energy and solar
9 energy required to comply with the reporting requirements
10 under Section 1505-215 of the Department of Labor Law of the
11 Civil Administrative Code of Illinois, to submit an annual
12 report by April 15, 2015 and every April 15 thereafter, in a
13 searchable Adobe PDF format, on all procurement goals and
14 actual spending for female-owned, minority-owned,
15 veteran-owned, and small business enterprises in the previous
16 calendar year. These goals shall be expressed as a percentage
17 of the total work performed by the entity submitting the
18 report, and the actual spending for all female-owned,
19 minority-owned, veteran-owned, and small business enterprises
20 shall also be expressed as a percentage of the total work
21 performed by the entity submitting the report.

22 (c) Each participating company in its annual report shall
23 include the following information:

24 (1) an explanation of the plan for the next year to
25 increase participation;

26 (2) an explanation of the plan to increase the goals;

1 (3) the areas of procurement each company shall be
2 actively seeking more participation in ~~in~~ the next year;

3 (4) an outline of the plan to alert and encourage
4 potential vendors in that area to seek business from the
5 company;

6 (5) an explanation of the challenges faced in finding
7 quality vendors and offer any suggestions for what the
8 Commission could do to be helpful to identify those
9 vendors;

10 (6) a list of the certifications the company
11 recognizes;

12 (7) the point of contact for any potential vendor who
13 wishes to do business with the company and explain the
14 process for a vendor to enroll with the company as a
15 minority-owned, women-owned, or veteran-owned company; and

16 (8) any particular success stories to encourage other
17 companies to emulate best practices.

18 (d) Each annual report shall include as much
19 State-specific data as possible. If the submitting entity does
20 not submit State-specific data, then the company shall include
21 any national data it does have and explain why it could not
22 submit State-specific data and how it intends to do so in
23 future reports, if possible.

24 (e) Each annual report shall include the rules,
25 regulations, and definitions used for the procurement goals in
26 the company's annual report.

1 (f) The Commission and all participating entities shall
2 hold an annual workshop open to the public in 2015 and every
3 year thereafter on the state of supplier diversity to
4 collaboratively seek solutions to structural impediments to
5 achieving stated goals, including testimony from each
6 participating entity as well as subject matter experts and
7 advocates. The Commission shall publish a database on its
8 website of the point of contact for each participating entity
9 for supplier diversity, along with a list of certifications
10 each company recognizes from the information submitted in each
11 annual report. The Commission shall publish each annual report
12 on its website and shall maintain each annual report for at
13 least 5 years.

14 (Source: P.A. 98-1056, eff. 8-26-14; 99-906, eff. 6-1-17;
15 revised 7-22-19.)

16 (220 ILCS 5/8-103B)

17 Sec. 8-103B. Energy efficiency and demand-response
18 measures.

19 (a) It is the policy of the State that electric utilities
20 are required to use cost-effective energy efficiency and
21 demand-response measures to reduce delivery load. Requiring
22 investment in cost-effective energy efficiency and
23 demand-response measures will reduce direct and indirect costs
24 to consumers by decreasing environmental impacts and by
25 avoiding or delaying the need for new generation,

1 transmission, and distribution infrastructure. It serves the
2 public interest to allow electric utilities to recover costs
3 for reasonably and prudently incurred expenditures for energy
4 efficiency and demand-response measures. As used in this
5 Section, "cost-effective" means that the measures satisfy the
6 total resource cost test. The low-income measures described in
7 subsection (c) of this Section shall not be required to meet
8 the total resource cost test. For purposes of this Section,
9 the terms "energy-efficiency", "demand-response", "electric
10 utility", and "total resource cost test" have the meanings set
11 forth in the Illinois Power Agency Act. "Black, indigenous,
12 and people of color" and "BIPOC" means people who are members
13 of the groups described in subparagraphs (a) through (e) of
14 paragraph (A) of subsection (1) of Section 2 of the Business
15 Enterprise for Minorities, Women, and Persons with
16 Disabilities Act.

17 (a-5) This Section applies to electric utilities serving
18 more than 500,000 retail customers in the State for those
19 multi-year plans commencing after December 31, 2017.

20 (b) For purposes of this Section, electric utilities
21 subject to this Section that serve more than 3,000,000 retail
22 customers in the State shall be deemed to have achieved a
23 cumulative persisting annual savings of 6.6% from energy
24 efficiency measures and programs implemented during the period
25 beginning January 1, 2012 and ending December 31, 2017, which
26 percent is based on the deemed average weather normalized

1 sales of electric power and energy during calendar years 2014,
2 2015, and 2016 of 88,000,000 MWhs. For the purposes of this
3 subsection (b) and subsection (b-5), the 88,000,000 MWhs of
4 deemed electric power and energy sales shall be reduced by the
5 number of MWhs equal to the sum of the annual consumption of
6 customers that have opted out of ~~are exempt from~~ subsections
7 (a) through (j) of this Section under paragraph (1) of
8 subsection (1) of this Section, as averaged across the
9 calendar years 2014, 2015, and 2016. After 2017, the deemed
10 value of cumulative persisting annual savings from energy
11 efficiency measures and programs implemented during the period
12 beginning January 1, 2012 and ending December 31, 2017, shall
13 be reduced each year, as follows, and the applicable value
14 shall be applied to and count toward the utility's achievement
15 of the cumulative persisting annual savings goals set forth in
16 subsection (b-5):

17 (1) 5.8% deemed cumulative persisting annual savings
18 for the year ending December 31, 2018;

19 (2) 5.2% deemed cumulative persisting annual savings
20 for the year ending December 31, 2019;

21 (3) 4.5% deemed cumulative persisting annual savings
22 for the year ending December 31, 2020;

23 (4) 4.0% deemed cumulative persisting annual savings
24 for the year ending December 31, 2021;

25 (5) 3.5% deemed cumulative persisting annual savings
26 for the year ending December 31, 2022;

1 (6) 3.1% deemed cumulative persisting annual savings
2 for the year ending December 31, 2023;

3 (7) 2.8% deemed cumulative persisting annual savings
4 for the year ending December 31, 2024;

5 (8) 2.5% deemed cumulative persisting annual savings
6 for the year ending December 31, 2025;

7 (9) 2.3% deemed cumulative persisting annual savings
8 for the year ending December 31, 2026;

9 (10) 2.1% deemed cumulative persisting annual savings
10 for the year ending December 31, 2027;

11 (11) 1.8% deemed cumulative persisting annual savings
12 for the year ending December 31, 2028;

13 (12) 1.7% deemed cumulative persisting annual savings
14 for the year ending December 31, 2029; ~~and~~

15 (13) 1.5% deemed cumulative persisting annual savings
16 for the year ending December 31, 2030;~~;~~

17 (14) 1.3% deemed cumulative persisting annual savings
18 for the year ending December 31, 2031;

19 (15) 1.1% deemed cumulative persisting annual savings
20 for the year ending December 31, 2032;

21 (16) 0.9% deemed cumulative persisting annual savings
22 for the year ending December 31, 2033;

23 (17) 0.7% deemed cumulative persisting annual savings
24 for the year ending December 31, 2034;

25 (18) 0.5% deemed cumulative persisting annual savings
26 for the year ending December 31, 2035;

1 (19) 0.4% deemed cumulative persisting annual savings
2 for the year ending December 31, 2036;

3 (20) 0.3% deemed cumulative persisting annual savings
4 for the year ending December 31, 2037;

5 (21) 0.2% deemed cumulative persisting annual savings
6 for the year ending December 31, 2038;

7 (22) 0.1% deemed cumulative persisting annual savings
8 for the year ending December 31, 2039; and

9 (23) 0.0% deemed cumulative persisting annual savings
10 for the year ending December 31, 2040 and all subsequent
11 years.

12 For purposes of this Section, "cumulative persisting
13 annual savings" means the total electric energy savings in a
14 given year from measures installed in that year or in previous
15 years, but no earlier than January 1, 2012, that are still
16 operational and providing savings in that year because the
17 measures have not yet reached the end of their useful lives.

18 (b-5) Beginning in 2018, electric utilities subject to
19 this Section that serve more than 3,000,000 retail customers
20 in the State shall achieve the following cumulative persisting
21 annual savings goals, as modified by subsection (f) of this
22 Section and as compared to the deemed baseline of 88,000,000
23 MWhs of electric power and energy sales set forth in
24 subsection (b), as reduced by the number of MWhs equal to the
25 sum of the annual consumption of customers that have opted out
26 of ~~are exempt from~~ subsections (a) through (j) of this Section

1 under paragraph (1) of subsection (1) of this Section as
2 averaged across the calendar years 2014, 2015, and 2016,
3 through the implementation of energy efficiency measures
4 during the applicable year and in prior years, but no earlier
5 than January 1, 2012:

6 (1) 7.8% cumulative persisting annual savings for the
7 year ending December 31, 2018;

8 (2) 9.1% cumulative persisting annual savings for the
9 year ending December 31, 2019;

10 (3) 10.4% cumulative persisting annual savings for the
11 year ending December 31, 2020;

12 (4) 11.8% cumulative persisting annual savings for the
13 year ending December 31, 2021;

14 (5) 13.1% cumulative persisting annual savings for the
15 year ending December 31, 2022;

16 (6) 14.4% cumulative persisting annual savings for the
17 year ending December 31, 2023;

18 (7) 15.7% cumulative persisting annual savings for the
19 year ending December 31, 2024;

20 (8) 17% cumulative persisting annual savings for the
21 year ending December 31, 2025;

22 (9) 17.9% cumulative persisting annual savings for the
23 year ending December 31, 2026;

24 (10) 18.8% cumulative persisting annual savings for
25 the year ending December 31, 2027;

26 (11) 19.7% cumulative persisting annual savings for

1 the year ending December 31, 2028;

2 (12) 20.6% cumulative persisting annual savings for
3 the year ending December 31, 2029; and

4 (13) 21.5% cumulative persisting annual savings for
5 the year ending December 31, 2030.

6 No later than December 31, 2021, the Illinois Commerce
7 Commission shall establish additional cumulative persisting
8 annual savings goals for the years 2031 through 2035. No later
9 than December 31, 2024, the Illinois Commerce Commission shall
10 establish additional cumulative persisting annual savings
11 goals for the years 2036 through 2040. The Commission shall
12 also establish additional cumulative persisting annual savings
13 goals every 5 years thereafter to ensure that utilities always
14 have goals that extend at least 11 years into the future. The
15 cumulative persisting annual savings goals beyond the year
16 2030 shall increase by 0.9 percentage points per year, absent
17 a Commission decision to initiate a proceeding to consider
18 establishing goals that increase by more or less than that
19 amount. Such a proceeding must be conducted in accordance with
20 the procedures described in subsection (f) of this Section. If
21 such a proceeding is initiated, the cumulative persisting
22 annual savings goals established by the Commission through
23 that proceeding shall reflect the Commission's best estimate
24 of the maximum amount of additional savings that are forecast
25 to be cost-effectively achievable unless such best estimates
26 would result in goals that represent less than 0.5 percentage

1 point annual increases in total cumulative persisting annual
2 savings. The Commission may only establish goals that
3 represent less than 0.5 percentage point annual increases in
4 cumulative persisting annual savings if it can demonstrate,
5 based on clear and convincing evidence and through independent
6 analysis, that 0.5 percentage point increases are not
7 cost-effectively achievable. The Commission shall inform its
8 decision based on an energy efficiency potential study that
9 conforms to the requirements of this Section.

10 (b-10) For purposes of this Section, electric utilities
11 subject to this Section that serve less than 3,000,000 retail
12 customers but more than 500,000 retail customers in the State
13 shall be deemed to have achieved a cumulative persisting
14 annual savings of 6.6% from energy efficiency measures and
15 programs implemented during the period beginning January 1,
16 2012 and ending December 31, 2017, which is based on the deemed
17 average weather normalized sales of electric power and energy
18 during calendar years 2014, 2015, and 2016 of 36,900,000 MWhs.
19 For the purposes of this subsection (b-10) and subsection
20 (b-15), the 36,900,000 MWhs of deemed electric power and
21 energy sales shall be reduced by the number of MWhs equal to
22 the sum of the annual consumption of customers that have opted
23 out of ~~are exempt from~~ subsections (a) through (j) of this
24 Section under paragraph (1) of subsection (1) of this Section,
25 as averaged across the calendar years 2014, 2015, and 2016.
26 After 2017, the deemed value of cumulative persisting annual

1 savings from energy efficiency measures and programs
2 implemented during the period beginning January 1, 2012 and
3 ending December 31, 2017, shall be reduced each year, as
4 follows, and the applicable value shall be applied to and
5 count toward the utility's achievement of the cumulative
6 persisting annual savings goals set forth in subsection
7 (b-15):

8 (1) 5.8% deemed cumulative persisting annual savings
9 for the year ending December 31, 2018;

10 (2) 5.2% deemed cumulative persisting annual savings
11 for the year ending December 31, 2019;

12 (3) 4.5% deemed cumulative persisting annual savings
13 for the year ending December 31, 2020;

14 (4) 4.0% deemed cumulative persisting annual savings
15 for the year ending December 31, 2021;

16 (5) 3.5% deemed cumulative persisting annual savings
17 for the year ending December 31, 2022;

18 (6) 3.1% deemed cumulative persisting annual savings
19 for the year ending December 31, 2023;

20 (7) 2.8% deemed cumulative persisting annual savings
21 for the year ending December 31, 2024;

22 (8) 2.5% deemed cumulative persisting annual savings
23 for the year ending December 31, 2025;

24 (9) 2.3% deemed cumulative persisting annual savings
25 for the year ending December 31, 2026;

26 (10) 2.1% deemed cumulative persisting annual savings

1 for the year ending December 31, 2027;

2 (11) 1.8% deemed cumulative persisting annual savings
3 for the year ending December 31, 2028;

4 (12) 1.7% deemed cumulative persisting annual savings
5 for the year ending December 31, 2029; and

6 (13) 1.5% deemed cumulative persisting annual savings
7 for the year ending December 31, 2030;~~;~~

8 (14) 1.3% deemed cumulative persisting annual savings
9 for the year ending December 31, 2031;

10 (15) 1.1% deemed cumulative persisting annual savings
11 for the year ending December 31, 2032;

12 (16) 0.9% deemed cumulative persisting annual savings
13 for the year ending December 31, 2033;

14 (17) 0.7% deemed cumulative persisting annual savings
15 for the year ending December 31, 2034;

16 (18) 0.5% deemed cumulative persisting annual savings
17 for the year ending December 31, 2035;

18 (19) 0.4% deemed cumulative persisting annual savings
19 for the year ending December 31, 2036;

20 (20) 0.3% deemed cumulative persisting annual savings
21 for the year ending December 31, 2037;

22 (21) 0.2% deemed cumulative persisting annual savings
23 for the year ending December 31, 2038;

24 (22) 0.1% deemed cumulative persisting annual savings
25 for the year ending December 31, 2039; and

26 (23) 0.0% deemed cumulative persisting annual savings

1 for the year ending December 31, 2040 and all subsequent
2 years.

3 (b-15) Beginning in 2018, electric utilities subject to
4 this Section that serve less than 3,000,000 retail customers
5 but more than 500,000 retail customers in the State shall
6 achieve the following cumulative persisting annual savings
7 goals, as modified by subsection (b-20) and subsection (f) of
8 this Section and as compared to the deemed baseline as reduced
9 by the number of MWhs equal to the sum of the annual
10 consumption of customers that have opted out of ~~are exempt~~
11 ~~from~~ subsections (a) through (j) of this Section under
12 paragraph (1) of subsection (1) of this Section as averaged
13 across the calendar years 2014, 2015, and 2016, through the
14 implementation of energy efficiency measures during the
15 applicable year and in prior years, but no earlier than
16 January 1, 2012:

17 (1) 7.4% cumulative persisting annual savings for the
18 year ending December 31, 2018;

19 (2) 8.2% cumulative persisting annual savings for the
20 year ending December 31, 2019;

21 (3) 9.0% cumulative persisting annual savings for the
22 year ending December 31, 2020;

23 (4) 9.8% cumulative persisting annual savings for the
24 year ending December 31, 2021;

25 (5) 10.6% cumulative persisting annual savings for the
26 year ending December 31, 2022;

1 (6) 11.4% cumulative persisting annual savings for the
2 year ending December 31, 2023;

3 (7) 12.2% cumulative persisting annual savings for the
4 year ending December 31, 2024;

5 (8) 13% cumulative persisting annual savings for the
6 year ending December 31, 2025;

7 (9) 13.6% cumulative persisting annual savings for the
8 year ending December 31, 2026;

9 (10) 14.2% cumulative persisting annual savings for
10 the year ending December 31, 2027;

11 (11) 14.8% cumulative persisting annual savings for
12 the year ending December 31, 2028;

13 (12) 15.4% cumulative persisting annual savings for
14 the year ending December 31, 2029; and

15 (13) 16% cumulative persisting annual savings for the
16 year ending December 31, 2030.

17 No later than December 31, 2021, the Illinois Commerce
18 Commission shall establish additional cumulative persisting
19 annual savings goals for the years 2031 through 2035. No later
20 than December 31, 2024, the Illinois Commerce Commission shall
21 establish additional cumulative persisting annual savings
22 goals for the years 2036 through 2040. The Commission shall
23 also establish additional cumulative persisting annual savings
24 goals every 5 years thereafter to ensure that utilities always
25 have goals that extend at least 11 years into the future. The
26 cumulative persisting annual savings goals beyond the year

1 2030 shall increase by 0.6 percentage points per year, absent
2 a Commission decision to initiate a proceeding to consider
3 establishing goals that increase by more or less than that
4 amount. Such a proceeding must be conducted in accordance with
5 the procedures described in subsection (f) of this Section. If
6 such a proceeding is initiated, the cumulative persisting
7 annual savings goals established by the Commission through
8 that proceeding shall reflect the Commission's best estimate
9 of the maximum amount of additional savings that are forecast
10 to be cost-effectively achievable unless such best estimates
11 would result in goals that represent less than 0.4 percentage
12 point annual increases in total cumulative persisting annual
13 savings. The Commission may only establish goals that
14 represent less than 0.4 percentage point annual increases in
15 cumulative persisting annual savings if it can demonstrate,
16 based on clear and convincing evidence and through independent
17 analysis, that 0.4 percentage point increases are not
18 cost-effectively achievable. The Commission shall inform its
19 decision based on an energy efficiency potential study that
20 conforms to the requirements of this Section.

21 ~~The difference between the cumulative persisting annual~~
22 ~~savings goal for the applicable calendar year and the~~
23 ~~cumulative persisting annual savings goal for the immediately~~
24 ~~preceding calendar year is 0.8% for the period of January 1,~~
25 ~~2018 through December 31, 2025 and 0.6% for the period of~~
26 ~~January 1, 2026 through December 31, 2030.~~

1 (b-20) Each electric utility subject to this Section may
2 include cost-effective voltage optimization measures in its
3 plans submitted under subsections (f) and (g) of this Section,
4 and the costs incurred by a utility to implement the measures
5 under a Commission-approved plan shall be recovered under the
6 provisions of Article IX or Section 16-108.5 of this Act. For
7 purposes of this Section, the measure life of voltage
8 optimization measures shall be 15 years. The measure life
9 period is independent of the depreciation rate of the voltage
10 optimization assets deployed. Utilities may claim savings from
11 voltage optimization on circuits for more than 15 years if
12 they can demonstrate that they have made additional
13 investments necessary to enable voltage optimization savings
14 to continue beyond 15 years. Such demonstrations must be
15 subject to the review of independent evaluation.

16 Within 270 days after June 1, 2017 (the effective date of
17 Public Act 99-906), an electric utility that serves less than
18 3,000,000 retail customers but more than 500,000 retail
19 customers in the State shall file a plan with the Commission
20 that identifies the cost-effective voltage optimization
21 investment the electric utility plans to undertake through
22 December 31, 2024. The Commission, after notice and hearing,
23 shall approve or approve with modification the plan within 120
24 days after the plan's filing and, in the order approving or
25 approving with modification the plan, the Commission shall
26 adjust the applicable cumulative persisting annual savings

1 goals set forth in subsection (b-15) to reflect any amount of
2 cost-effective energy savings approved by the Commission that
3 is greater than or less than the following cumulative
4 persisting annual savings values attributable to voltage
5 optimization for the applicable year:

6 (1) 0.0% of cumulative persisting annual savings for
7 the year ending December 31, 2018;

8 (2) 0.17% of cumulative persisting annual savings for
9 the year ending December 31, 2019;

10 (3) 0.17% of cumulative persisting annual savings for
11 the year ending December 31, 2020;

12 (4) 0.33% of cumulative persisting annual savings for
13 the year ending December 31, 2021;

14 (5) 0.5% of cumulative persisting annual savings for
15 the year ending December 31, 2022;

16 (6) 0.67% of cumulative persisting annual savings for
17 the year ending December 31, 2023;

18 (7) 0.83% of cumulative persisting annual savings for
19 the year ending December 31, 2024; and

20 (8) 1.0% of cumulative persisting annual savings for
21 the year ending December 31, 2025 and all subsequent
22 years.

23 (b-25) In the event an electric utility jointly offers an
24 energy efficiency measure or program with a gas utility under
25 plans approved under this Section and Section 8-104 of this
26 Act, the electric utility may continue offering the program,

1 including the gas energy efficiency measures, in the event the
2 gas utility discontinues funding the program. In that event,
3 the energy savings value associated with such other fuels
4 shall be converted to electric energy savings on an equivalent
5 Btu basis for the premises. However, the electric utility
6 shall prioritize programs for low-income residential customers
7 to the extent practicable. An electric utility may recover the
8 costs of offering the gas energy efficiency measures under
9 this subsection (b-25).

10 For those energy efficiency measures or programs that save
11 both electricity and other fuels but are not jointly offered
12 with a gas utility under plans approved under this Section and
13 Section 8-104 or not offered with an affiliated gas utility
14 under paragraph (6) of subsection (f) of Section 8-104 of this
15 Act, the electric utility may count savings of fuels other
16 than electricity toward the achievement of its annual savings
17 goal, and the energy savings value associated with such other
18 fuels shall be converted to electric energy savings on an
19 equivalent Btu basis at the premises.

20 In no event shall more than 10% of each year's applicable
21 annual total savings requirement ~~incremental goal~~ as defined
22 in paragraph (7.5) ~~(7)~~ of subsection (g) of this Section be met
23 through savings of fuels other than electricity.

24 (b-27) Beginning in 2022, an electric utility may offer
25 and promote measures that electrify space heating, water
26 heating, cooling, drying, cooking, industrial processes, and

1 other building and industrial end uses that would otherwise be
2 served by combustion of fossil fuel at the premises, provided
3 that the electrification measures reduce total energy
4 consumption at the premises. The electric utility may count
5 the reduction in energy consumption at the premises toward
6 achievement of its annual savings goals. The reduction in
7 energy consumption at the premises shall be calculated as the
8 difference between: (A) the reduction in Btu consumption of
9 fossil fuels as a result of electrification, converted to
10 kilowatt-hour equivalents by dividing by 3,412 Btu's per
11 kilowatt hour; and (B) the increase in kilowatt hours of
12 electricity consumption resulting from the displacement of
13 fossil fuel consumption as a result of electrification. An
14 electric utility may recover the costs of offering and
15 promoting electrification measures under this subsection
16 (b-27).

17 In no event shall electrification savings counted toward
18 each year's applicable annual total savings requirement, as
19 defined in paragraph (7.5) of subsection (g) of this Section,
20 be greater than:

21 (1) 5% per year for each year from 2022 through 2025;

22 (2) 10% per year for each year from 2026 through 2029;

23 and

24 (3) 15% per year for 2030 and all subsequent years.

25 In addition, a minimum of 25% of all electrification savings
26 counted toward a utility's applicable annual total savings

1 requirement must be from electrification of end uses in
2 low-income housing. The limitations on electrification savings
3 that may be counted toward a utility's annual savings goals
4 are separate from and in addition to the subsection (b-25)
5 limitations governing the counting of the other fuel savings
6 resulting from efficiency measures and programs.

7 As part of the annual informational filing to the
8 Commission that is required under paragraph (9) of subsection
9 (g) of this Section, each utility shall identify the specific
10 electrification measures offered under this subsection (b-27);
11 the quantity of each electrification measure that was
12 installed by its customers; the average total cost, average
13 utility cost, average reduction in fossil fuel consumption,
14 and average increase in electricity consumption associated
15 with each electrification measure; the portion of
16 installations of each electrification measure that were in
17 low-income single-family housing, low-income multifamily
18 housing, non-low-income single-family housing, non-low-income
19 multifamily housing, commercial buildings, and industrial
20 facilities; and the quantity of savings associated with each
21 measure category in each customer category that are being
22 counted toward the utility's applicable annual total savings
23 requirement. Prior to installing an electrification measure,
24 the utility shall provide a customer with an estimate of the
25 impact of the new measure on the customer's average monthly
26 electric bill and total annual energy expenses.

1 (c) Electric utilities shall be responsible for overseeing
2 the design, development, and filing of energy efficiency plans
3 with the Commission and may, as part of that implementation,
4 outsource various aspects of program development and
5 implementation. A minimum of 10%, for electric utilities that
6 serve more than 3,000,000 retail customers in the State, and a
7 minimum of 7%, for electric utilities that serve less than
8 3,000,000 retail customers but more than 500,000 retail
9 customers in the State, of the utility's entire portfolio
10 funding level for a given year shall be used to procure
11 cost-effective energy efficiency measures from units of local
12 government, municipal corporations, school districts, public
13 housing, and community college districts, provided that a
14 minimum percentage of available funds shall be used to procure
15 energy efficiency from public housing, which percentage shall
16 be equal to public housing's share of public building energy
17 consumption.

18 The utilities shall also implement energy efficiency
19 measures targeted at low-income households, which, for
20 purposes of this Section, shall be defined as households at or
21 below 80% of area median income, and expenditures to implement
22 the measures shall be no less than \$40,000,000 ~~\$25,000,000~~ per
23 year for electric utilities that serve more than 3,000,000
24 retail customers in the State and no less than \$13,000,000
25 ~~\$8,350,000~~ per year for electric utilities that serve less
26 than 3,000,000 retail customers but more than 500,000 retail

1 customers in the State. The ratio of spending on efficiency
2 programs targeted at low-income multifamily buildings to
3 spending on efficiency programs targeted at low-income
4 single-family buildings shall be designed to achieve levels of
5 savings from each building type that are approximately
6 proportional to the magnitude of cost-effective lifetime
7 savings potential in each building type. Investment in
8 low-income whole-building weatherization programs shall
9 constitute a minimum of 80% of a utility's total budget
10 specifically dedicated to serving low-income customers.

11 The utilities shall work to bundle low-income energy
12 efficiency offerings with other programs that serve low-income
13 households to maximize the benefits going to these households.
14 The utilities shall market and implement low-income energy
15 efficiency programs in coordination with low-income assistance
16 programs, the Illinois Solar for All Program, and
17 weatherization whenever practicable. The program implementer
18 shall walk the customer through the enrollment process for any
19 programs for which the customer is eligible. The utilities
20 shall also pilot targeting customers with high arrearages,
21 high energy intensity (ratio of energy usage divided by home
22 or unit square footage), or energy assistance programs with
23 energy efficiency offerings, and then track reduction in
24 arrearages as a result of the targeting. This targeting and
25 bundling of low-income energy programs shall be offered to
26 both low-income single-family and multifamily customers

1 (owners and residents).

2 The utilities shall invest in health and safety measures
3 appropriate and necessary for comprehensively weatherizing a
4 home or multifamily building, and shall implement a health and
5 safety fund of at least 15% of the total income-qualified
6 weatherization budget that shall be used for the purpose of
7 making grants for technical assistance, construction,
8 reconstruction, improvement, or repair of buildings to
9 facilitate their participation in the energy efficiency
10 programs targeted at low-income single-family and multifamily
11 households. These funds may also be used for the purpose of
12 making grants for technical assistance, construction,
13 reconstruction, improvement, or repair of the following
14 buildings to facilitate their participation in the energy
15 efficiency programs created by this Section: (1) buildings
16 that are owned or operated by registered 501(c)(3) public
17 charities; and (2) day care centers, day care homes, or group
18 day care homes, as defined under 89 Ill. Adm. Code Part 406,
19 407, or 408, respectively.

20 Each electric utility shall assess opportunities to
21 implement cost-effective energy efficiency measures and
22 programs through a public housing authority or authorities
23 located in its service territory. If such opportunities are
24 identified, the utility shall propose such measures and
25 programs to address the opportunities. Expenditures to address
26 such opportunities shall be credited toward the minimum

1 procurement and expenditure requirements set forth in this
2 subsection (c).

3 Implementation of energy efficiency measures and programs
4 targeted at low-income households should be contracted, when
5 it is practicable, to independent third parties that have
6 demonstrated capabilities to serve such households, with a
7 preference for not-for-profit entities and government agencies
8 that have existing relationships with or experience serving
9 low-income communities in the State.

10 Each electric utility shall develop and implement
11 reporting procedures that address and assist in determining
12 the amount of energy savings that can be applied to the
13 low-income procurement and expenditure requirements set forth
14 in this subsection (c). Each electric utility shall also track
15 the types and quantities or volumes of insulation and air
16 sealing materials, and their associated energy saving
17 benefits, installed in energy efficiency programs targeted at
18 low-income single-family and multifamily households.

19 The electric utilities shall participate in ~~also convene~~ a
20 low-income energy efficiency accountability ~~advisory~~ committee
21 ("the committee"), which will directly inform ~~to assist in~~ the
22 design, implementation, and evaluation of the low-income and
23 public-housing energy efficiency programs. The committee shall
24 be comprised of the electric utilities subject to the
25 requirements of this Section, the gas utilities subject to the
26 requirements of Section 8-104 of this Act, the utilities'

1 low-income energy efficiency implementation contractors,
2 nonprofit organizations, community action agencies, advocacy
3 groups, State and local governmental agencies, public-housing
4 organizations, and representatives of community-based
5 organizations, especially those living in or working with
6 environmental justice communities and BIPOC communities. The
7 committee shall be composed of 2 geographically differentiated
8 subcommittees: one for stakeholders in northern Illinois and
9 one for stakeholders in central and southern Illinois. The
10 subcommittees shall meet together at least twice per year.

11 There shall be one statewide leadership committee led by
12 and composed of community-based organizations that are
13 representative of BIPOC and environmental justice communities
14 and that includes equitable representation from BIPOC
15 communities. The leadership committee shall be composed of an
16 equal number of representatives from the 2 subcommittees. The
17 subcommittees shall address specific programs and issues, with
18 the leadership committee convening targeted workgroups as
19 needed. The leadership committee may elect to work with an
20 independent facilitator to solicit and organize feedback,
21 recommendations and meeting participation from a wide variety
22 of community-based stakeholders. If a facilitator is used,
23 they shall be fair and responsive to the needs of all
24 stakeholders involved in the committee.

25 All committee meetings must be accessible, with rotating
26 locations if meetings are held in-person, virtual

1 participation options, and materials and agendas circulated in
2 advance.

3 There shall also be opportunities for direct input by
4 committee members outside of committee meetings, such as via
5 individual meetings, surveys, emails and calls, to ensure
6 robust participation by stakeholders with limited capacity and
7 ability to attend committee meetings. Committee meetings shall
8 emphasize opportunities to bundle and coordinate delivery of
9 low-income energy efficiency with other programs that serve
10 low-income communities, such as the Illinois Solar for All
11 Program and bill payment assistance programs. Meetings shall
12 include educational opportunities for stakeholders to learn
13 more about these additional offerings, and the committee shall
14 assist in figuring out the best methods for coordinated
15 delivery and implementation of offerings when serving
16 low-income communities. The committee shall directly and
17 equitably influence and inform utility low-income and
18 public-housing energy efficiency programs and priorities.
19 Participating utilities shall implement recommendations from
20 the committee whenever possible.

21 Participating utilities shall track and report how input
22 from the committee has led to new approaches and changes in
23 their energy efficiency portfolios. This reporting shall occur
24 at committee meetings and in quarterly energy efficiency
25 reports to the Stakeholder Advisory Group and Illinois
26 Commerce Commission, and other relevant reporting mechanisms.

1 Participating utilities shall also report on relevant equity
2 data and metrics requested by the committee, such as energy
3 burden data, geographic, racial, and other relevant
4 demographic data on where programs are being delivered and
5 what populations programs are serving.

6 The Illinois Commerce Commission shall oversee and have
7 relevant staff participate in the committee. The committee
8 shall have a budget of 0.25% of each utility's entire
9 efficiency portfolio funding for a given year. The budget
10 shall be overseen by the Commission. The budget shall be used
11 to provide grants for community-based organizations serving on
12 the leadership committee, stipends for community-based
13 organizations participating in the committee, grants for
14 community-based organizations to do energy efficiency outreach
15 and education, and relevant meeting needs as determined by the
16 leadership committee. The education and outreach shall
17 include, but is not limited to, basic energy efficiency
18 education, information about low-income energy efficiency
19 programs, and information on the committee's purpose,
20 structure, and activities.

21 (d) Notwithstanding any other provision of law to the
22 contrary, a utility providing approved energy efficiency
23 measures and, if applicable, demand-response measures in the
24 State shall be permitted to recover all reasonable and
25 prudently incurred costs of those measures from all retail
26 customers, except as provided in subsection (1) of this

1 Section, as follows, provided that nothing in this subsection
2 (d) permits the double recovery of such costs from customers:

3 (1) The utility may recover its costs through an
4 automatic adjustment clause tariff filed with and approved
5 by the Commission. The tariff shall be established outside
6 the context of a general rate case. Each year the
7 Commission shall initiate a review to reconcile any
8 amounts collected with the actual costs and to determine
9 the required adjustment to the annual tariff factor to
10 match annual expenditures. To enable the financing of the
11 incremental capital expenditures, including regulatory
12 assets, for electric utilities that serve less than
13 3,000,000 retail customers but more than 500,000 retail
14 customers in the State, the utility's actual year-end
15 capital structure that includes a common equity ratio,
16 excluding goodwill, of up to and including 50% of the
17 total capital structure shall be deemed reasonable and
18 used to set rates.

19 (2) A utility may recover its costs through an energy
20 efficiency formula rate approved by the Commission under a
21 filing under subsections (f) and (g) of this Section,
22 which shall specify the cost components that form the
23 basis of the rate charged to customers with sufficient
24 specificity to operate in a standardized manner and be
25 updated annually with transparent information that
26 reflects the utility's actual costs to be recovered during

1 the applicable rate year, which is the period beginning
2 with the first billing day of January and extending
3 through the last billing day of the following December.
4 The energy efficiency formula rate shall be implemented
5 through a tariff filed with the Commission under
6 subsections (f) and (g) of this Section that is consistent
7 with the provisions of this paragraph (2) and that shall
8 be applicable to all delivery services customers. The
9 Commission shall conduct an investigation of the tariff in
10 a manner consistent with the provisions of this paragraph
11 (2), subsections (f) and (g) of this Section, and the
12 provisions of Article IX of this Act to the extent they do
13 not conflict with this paragraph (2). The energy
14 efficiency formula rate approved by the Commission shall
15 remain in effect at the discretion of the utility and
16 shall do the following:

17 (A) Provide for the recovery of the utility's
18 actual costs incurred under this Section that are
19 prudently incurred and reasonable in amount consistent
20 with Commission practice and law. The sole fact that a
21 cost differs from that incurred in a prior calendar
22 year or that an investment is different from that made
23 in a prior calendar year shall not imply the
24 imprudence or unreasonableness of that cost or
25 investment.

26 (B) Reflect the utility's actual year-end capital

1 structure for the applicable calendar year, excluding
2 goodwill, subject to a determination of prudence and
3 reasonableness consistent with Commission practice and
4 law. To enable the financing of the incremental
5 capital expenditures, including regulatory assets, for
6 electric utilities that serve less than 3,000,000
7 retail customers but more than 500,000 retail
8 customers in the State, a participating electric
9 utility's actual year-end capital structure that
10 includes a common equity ratio, excluding goodwill, of
11 up to and including 50% of the total capital structure
12 shall be deemed reasonable and used to set rates.

13 (C) Include a cost of equity, which shall be
14 calculated as the sum of the following:

15 (i) the average for the applicable calendar
16 year of the monthly average yields of 30-year U.S.
17 Treasury bonds published by the Board of Governors
18 of the Federal Reserve System in its weekly H.15
19 Statistical Release or successor publication; and

20 (ii) 580 basis points.

21 At such time as the Board of Governors of the
22 Federal Reserve System ceases to include the monthly
23 average yields of 30-year U.S. Treasury bonds in its
24 weekly H.15 Statistical Release or successor
25 publication, the monthly average yields of the U.S.
26 Treasury bonds then having the longest duration

1 published by the Board of Governors in its weekly H.15
2 Statistical Release or successor publication shall
3 instead be used for purposes of this paragraph (2).

4 (D) Permit and set forth protocols, subject to a
5 determination of prudence and reasonableness
6 consistent with Commission practice and law, for the
7 following:

8 (i) recovery of incentive compensation expense
9 that is based on the achievement of operational
10 metrics, including metrics related to budget
11 controls, outage duration and frequency, safety,
12 customer service, efficiency and productivity, and
13 environmental compliance; however, this protocol
14 shall not apply if such expense related to costs
15 incurred under this Section is recovered under
16 Article IX or Section 16-108.5 of this Act;
17 incentive compensation expense that is based on
18 net income or an affiliate's earnings per share
19 shall not be recoverable under the energy
20 efficiency formula rate;

21 (ii) recovery of pension and other
22 post-employment benefits expense, provided that
23 such costs are supported by an actuarial study;
24 however, this protocol shall not apply if such
25 expense related to costs incurred under this
26 Section is recovered under Article IX or Section

1 16-108.5 of this Act;

2 (iii) recovery of existing regulatory assets
3 over the periods previously authorized by the
4 Commission;

5 (iv) as described in subsection (e),
6 amortization of costs incurred under this Section;
7 and

8 (v) projected, weather normalized billing
9 determinants for the applicable rate year.

10 (E) Provide for an annual reconciliation, as
11 described in paragraph (3) of this subsection (d),
12 less any deferred taxes related to the reconciliation,
13 with interest at an annual rate of return equal to the
14 utility's weighted average cost of capital, including
15 a revenue conversion factor calculated to recover or
16 refund all additional income taxes that may be payable
17 or receivable as a result of that return, of the energy
18 efficiency revenue requirement reflected in rates for
19 each calendar year, beginning with the calendar year
20 in which the utility files its energy efficiency
21 formula rate tariff under this paragraph (2), with
22 what the revenue requirement would have been had the
23 actual cost information for the applicable calendar
24 year been available at the filing date.

25 The utility shall file, together with its tariff, the
26 projected costs to be incurred by the utility during the

1 rate year under the utility's multi-year plan approved
2 under subsections (f) and (g) of this Section, including,
3 but not limited to, the projected capital investment costs
4 and projected regulatory asset balances with
5 correspondingly updated depreciation and amortization
6 reserves and expense, that shall populate the energy
7 efficiency formula rate and set the initial rates under
8 the formula.

9 The Commission shall review the proposed tariff in
10 conjunction with its review of a proposed multi-year plan,
11 as specified in paragraph (5) of subsection (g) of this
12 Section. The review shall be based on the same evidentiary
13 standards, including, but not limited to, those concerning
14 the prudence and reasonableness of the costs incurred by
15 the utility, the Commission applies in a hearing to review
16 a filing for a general increase in rates under Article IX
17 of this Act. The initial rates shall take effect beginning
18 with the January monthly billing period following the
19 Commission's approval.

20 The tariff's rate design and cost allocation across
21 customer classes shall be consistent with the utility's
22 automatic adjustment clause tariff in effect on June 1,
23 2017 (the effective date of Public Act 99-906); however,
24 the Commission may revise the tariff's rate design and
25 cost allocation in subsequent proceedings under paragraph
26 (3) of this subsection (d).

1 If the energy efficiency formula rate is terminated,
2 the then current rates shall remain in effect until such
3 time as the energy efficiency costs are incorporated into
4 new rates that are set under this subsection (d) or
5 Article IX of this Act, subject to retroactive rate
6 adjustment, with interest, to reconcile rates charged with
7 actual costs.

8 (3) The provisions of this paragraph (3) shall only
9 apply to an electric utility that has elected to file an
10 energy efficiency formula rate under paragraph (2) of this
11 subsection (d). Subsequent to the Commission's issuance of
12 an order approving the utility's energy efficiency formula
13 rate structure and protocols, and initial rates under
14 paragraph (2) of this subsection (d), the utility shall
15 file, on or before June 1 of each year, with the Chief
16 Clerk of the Commission its updated cost inputs to the
17 energy efficiency formula rate for the applicable rate
18 year and the corresponding new charges, as well as the
19 information described in paragraph (9) of subsection (g)
20 of this Section. Each such filing shall conform to the
21 following requirements and include the following
22 information:

23 (A) The inputs to the energy efficiency formula
24 rate for the applicable rate year shall be based on the
25 projected costs to be incurred by the utility during
26 the rate year under the utility's multi-year plan

1 approved under subsections (f) and (g) of this
2 Section, including, but not limited to, projected
3 capital investment costs and projected regulatory
4 asset balances with correspondingly updated
5 depreciation and amortization reserves and expense.
6 The filing shall also include a reconciliation of the
7 energy efficiency revenue requirement that was in
8 effect for the prior rate year (as set by the cost
9 inputs for the prior rate year) with the actual
10 revenue requirement for the prior rate year
11 (determined using a year-end rate base) that uses
12 amounts reflected in the applicable FERC Form 1 that
13 reports the actual costs for the prior rate year. Any
14 over-collection or under-collection indicated by such
15 reconciliation shall be reflected as a credit against,
16 or recovered as an additional charge to, respectively,
17 with interest calculated at a rate equal to the
18 utility's weighted average cost of capital approved by
19 the Commission for the prior rate year, the charges
20 for the applicable rate year. Such over-collection or
21 under-collection shall be adjusted to remove any
22 deferred taxes related to the reconciliation, for
23 purposes of calculating interest at an annual rate of
24 return equal to the utility's weighted average cost of
25 capital approved by the Commission for the prior rate
26 year, including a revenue conversion factor calculated

1 to recover or refund all additional income taxes that
2 may be payable or receivable as a result of that
3 return. Each reconciliation shall be certified by the
4 participating utility in the same manner that FERC
5 Form 1 is certified. The filing shall also include the
6 charge or credit, if any, resulting from the
7 calculation required by subparagraph (E) of paragraph
8 (2) of this subsection (d).

9 Notwithstanding any other provision of law to the
10 contrary, the intent of the reconciliation is to
11 ultimately reconcile both the revenue requirement
12 reflected in rates for each calendar year, beginning
13 with the calendar year in which the utility files its
14 energy efficiency formula rate tariff under paragraph
15 (2) of this subsection (d), with what the revenue
16 requirement determined using a year-end rate base for
17 the applicable calendar year would have been had the
18 actual cost information for the applicable calendar
19 year been available at the filing date.

20 For purposes of this Section, "FERC Form 1" means
21 the Annual Report of Major Electric Utilities,
22 Licensees and Others that electric utilities are
23 required to file with the Federal Energy Regulatory
24 Commission under the Federal Power Act, Sections 3,
25 4(a), 304 and 209, modified as necessary to be
26 consistent with 83 Ill. Admin. Code Part 415 as of May

1 1, 2011. Nothing in this Section is intended to allow
2 costs that are not otherwise recoverable to be
3 recoverable by virtue of inclusion in FERC Form 1.

4 (B) The new charges shall take effect beginning on
5 the first billing day of the following January billing
6 period and remain in effect through the last billing
7 day of the next December billing period regardless of
8 whether the Commission enters upon a hearing under
9 this paragraph (3).

10 (C) The filing shall include relevant and
11 necessary data and documentation for the applicable
12 rate year. Normalization adjustments shall not be
13 required.

14 Within 45 days after the utility files its annual
15 update of cost inputs to the energy efficiency formula
16 rate, the Commission shall with reasonable notice,
17 initiate a proceeding concerning whether the projected
18 costs to be incurred by the utility and recovered during
19 the applicable rate year, and that are reflected in the
20 inputs to the energy efficiency formula rate, are
21 consistent with the utility's approved multi-year plan
22 under subsections (f) and (g) of this Section and whether
23 the costs incurred by the utility during the prior rate
24 year were prudent and reasonable. The Commission shall
25 also have the authority to investigate the information and
26 data described in paragraph (9) of subsection (g) of this

1 Section, including the proposed adjustment to the
2 utility's return on equity component of its weighted
3 average cost of capital. During the course of the
4 proceeding, each objection shall be stated with
5 particularity and evidence provided in support thereof,
6 after which the utility shall have the opportunity to
7 rebut the evidence. Discovery shall be allowed consistent
8 with the Commission's Rules of Practice, which Rules of
9 Practice shall be enforced by the Commission or the
10 assigned administrative law judge. The Commission shall
11 apply the same evidentiary standards, including, but not
12 limited to, those concerning the prudence and
13 reasonableness of the costs incurred by the utility,
14 during the proceeding as it would apply in a proceeding to
15 review a filing for a general increase in rates under
16 Article IX of this Act. The Commission shall not, however,
17 have the authority in a proceeding under this paragraph
18 (3) to consider or order any changes to the structure or
19 protocols of the energy efficiency formula rate approved
20 under paragraph (2) of this subsection (d). In a
21 proceeding under this paragraph (3), the Commission shall
22 enter its order no later than the earlier of 195 days after
23 the utility's filing of its annual update of cost inputs
24 to the energy efficiency formula rate or December 15. The
25 utility's proposed return on equity calculation, as
26 described in paragraphs (7) through (9) of subsection (g)

1 of this Section, shall be deemed the final, approved
2 calculation on December 15 of the year in which it is filed
3 unless the Commission enters an order on or before
4 December 15, after notice and hearing, that modifies such
5 calculation consistent with this Section. The Commission's
6 determinations of the prudence and reasonableness of the
7 costs incurred, and determination of such return on equity
8 calculation, for the applicable calendar year shall be
9 final upon entry of the Commission's order and shall not
10 be subject to reopening, reexamination, or collateral
11 attack in any other Commission proceeding, case, docket,
12 order, rule, or regulation; however, nothing in this
13 paragraph (3) shall prohibit a party from petitioning the
14 Commission to rehear or appeal to the courts the order
15 under the provisions of this Act.

16 (e) Beginning on June 1, 2017 (the effective date of
17 Public Act 99-906), a utility subject to the requirements of
18 this Section may elect to defer, as a regulatory asset, up to
19 the full amount of its expenditures incurred under this
20 Section for each annual period, including, but not limited to,
21 any expenditures incurred above the funding level set by
22 subsection (f) of this Section for a given year. The total
23 expenditures deferred as a regulatory asset in a given year
24 shall be amortized and recovered over a period that is equal to
25 the weighted average of the energy efficiency measure lives
26 implemented for that year that are reflected in the regulatory

1 asset. The unamortized balance shall be recognized as of
2 December 31 for a given year. The utility shall also earn a
3 return on the total of the unamortized balances of all of the
4 energy efficiency regulatory assets, less any deferred taxes
5 related to those unamortized balances, at an annual rate equal
6 to the utility's weighted average cost of capital that
7 includes, based on a year-end capital structure, the utility's
8 actual cost of debt for the applicable calendar year and a cost
9 of equity, which shall be calculated as the sum of the (i) the
10 average for the applicable calendar year of the monthly
11 average yields of 30-year U.S. Treasury bonds published by the
12 Board of Governors of the Federal Reserve System in its weekly
13 H.15 Statistical Release or successor publication; and (ii)
14 580 basis points, including a revenue conversion factor
15 calculated to recover or refund all additional income taxes
16 that may be payable or receivable as a result of that return.
17 Capital investment costs shall be depreciated and recovered
18 over their useful lives consistent with generally accepted
19 accounting principles. The weighted average cost of capital
20 shall be applied to the capital investment cost balance, less
21 any accumulated depreciation and accumulated deferred income
22 taxes, as of December 31 for a given year.

23 When an electric utility creates a regulatory asset under
24 the provisions of this Section, the costs are recovered over a
25 period during which customers also receive a benefit which is
26 in the public interest. Accordingly, it is the intent of the

1 General Assembly that an electric utility that elects to
2 create a regulatory asset under the provisions of this Section
3 shall recover all of the associated costs as set forth in this
4 Section. After the Commission has approved the prudence and
5 reasonableness of the costs that comprise the regulatory
6 asset, the electric utility shall be permitted to recover all
7 such costs, and the value and recoverability through rates of
8 the associated regulatory asset shall not be limited, altered,
9 impaired, or reduced.

10 (f) Beginning in 2017, each electric utility shall file an
11 energy efficiency plan with the Commission to meet the energy
12 efficiency standards for the next applicable multi-year period
13 beginning January 1 of the year following the filing,
14 according to the schedule set forth in paragraphs (1) through
15 (3) of this subsection (f). If a utility does not file such a
16 plan on or before the applicable filing deadline for the plan,
17 it shall face a penalty of \$100,000 per day until the plan is
18 filed.

19 (1) No later than 30 days after June 1, 2017 (the
20 effective date of Public Act 99-906), each electric
21 utility shall file a 4-year energy efficiency plan
22 commencing on January 1, 2018 that is designed to achieve
23 the cumulative persisting annual savings goals specified
24 in paragraphs (1) through (4) of subsection (b-5) of this
25 Section or in paragraphs (1) through (4) of subsection
26 (b-15) of this Section, as applicable, through

1 implementation of energy efficiency measures; however, the
2 goals may be reduced if the utility's expenditures are
3 limited pursuant to subsection (m) of this Section or, for
4 a utility that serves less than 3,000,000 retail
5 customers, if each of the following conditions are met:
6 (A) the plan's analysis and forecasts of the utility's
7 ability to acquire energy savings demonstrate that
8 achievement of such goals is not cost effective; and (B)
9 the amount of energy savings achieved by the utility as
10 determined by the independent evaluator for the most
11 recent year for which savings have been evaluated
12 preceding the plan filing was less than the average annual
13 amount of savings required to achieve the goals for the
14 applicable 4-year plan period. Except as provided in
15 subsection (m) of this Section, annual increases in
16 cumulative persisting annual savings goals during the
17 applicable 4-year plan period shall not be reduced to
18 amounts that are less than the maximum amount of
19 cumulative persisting annual savings that is forecast to
20 be cost-effectively achievable during the 4-year plan
21 period. The Commission shall review any proposed goal
22 reduction as part of its review and approval of the
23 utility's proposed plan.

24 (2) No later than March 1, 2021, each electric utility
25 shall file a 4-year energy efficiency plan commencing on
26 January 1, 2022 that is designed to achieve the cumulative

1 persisting annual savings goals specified in paragraphs
2 (5) through (8) of subsection (b-5) of this Section or in
3 paragraphs (5) through (8) of subsection (b-15) of this
4 Section, as applicable, through implementation of energy
5 efficiency measures; however, the goals may be reduced if
6 either (1) clear and convincing evidence demonstrates,
7 through independent analysis, that the expenditure limits
8 in subsection (m) of this Section preclude full
9 achievement of the goals or (2) ~~the utility's expenditures~~
10 are limited pursuant to subsection (m) of this Section or,
11 each of the following conditions are met: (A) the plan's
12 analysis and forecasts of the utility's ability to acquire
13 energy savings demonstrate by clear and convincing
14 evidence and through independent analysis that achievement
15 of such goals is not cost effective; and (B) the amount of
16 energy savings achieved by the utility as determined by
17 the independent evaluator for the most recent year for
18 which savings have been evaluated preceding the plan
19 filing was less than the average annual amount of savings
20 required to achieve the goals for the applicable 4-year
21 plan period. If there is not clear and convincing evidence
22 that achieving the savings goals specified in paragraph
23 (b-5) or (b-15) of this Section is possible both
24 cost-effectively and within the expenditure limits in
25 subsection (m), such savings goals shall not be reduced.
26 Except as provided in subsection (m) of this Section,

1 annual increases in cumulative persisting annual savings
2 goals during the applicable 4-year plan period shall not
3 be reduced to amounts that are less than the maximum
4 amount of cumulative persisting annual savings that is
5 forecast to be cost-effectively achievable during the
6 4-year plan period. The Commission shall review any
7 proposed goal reduction as part of its review and approval
8 of the utility's proposed plan.

9 (3) No later than March 1, 2025, each electric utility
10 shall file a 4-year ~~5-year~~ energy efficiency plan
11 commencing on January 1, 2026 that is designed to achieve
12 the cumulative persisting annual savings goals specified
13 in paragraphs (9) through (12) ~~(13)~~ of subsection (b-5) of
14 this Section or in paragraphs (9) through (12) ~~(13)~~ of
15 subsection (b-15) of this Section, as applicable, through
16 implementation of energy efficiency measures; however, the
17 goals may be reduced if either (1) clear and convincing
18 evidence demonstrates, through independent analysis, that
19 the expenditure limits in subsection (m) of this Section
20 preclude full achievement of the goals or (2) the
21 ~~utility's expenditures are limited pursuant to subsection~~
22 ~~(m) of this Section or,~~ each of the following conditions
23 are met: (A) the plan's analysis and forecasts of the
24 utility's ability to acquire energy savings demonstrate by
25 clear and convincing evidence and through independent
26 analysis that achievement of such goals is not cost

1 effective; and (B) the amount of energy savings achieved
2 by the utility as determined by the independent evaluator
3 for the most recent year for which savings have been
4 evaluated preceding the plan filing was less than the
5 average annual amount of savings required to achieve the
6 goals for the applicable 4-year ~~5-year~~ plan period. If
7 there is not clear and convincing evidence that achieving
8 the savings goals specified in paragraphs (b-5) or (b-15)
9 of this Section is possible both cost-effectively and
10 within the expenditure limits in subsection (m), such
11 savings goals shall not be reduced. Except as provided in
12 subsection (m) of this Section, annual increases in
13 cumulative persisting annual savings goals during the
14 applicable 4-year ~~5-year~~ plan period shall not be reduced
15 to amounts that are less than the maximum amount of
16 cumulative persisting annual savings that is forecast to
17 be cost-effectively achievable during the 4-year ~~5-year~~
18 plan period. The Commission shall review any proposed goal
19 reduction as part of its review and approval of the
20 utility's proposed plan.

21 (4) No later than March 1, 2029, and every 4 years
22 thereafter, each electric utility shall file a 4-year
23 energy efficiency plan commencing on January 1, 2030, and
24 every 4 years thereafter, respectively, that is designed
25 to achieve the cumulative persisting annual savings goals
26 established by the Illinois Commerce Commission pursuant

1 to direction of subsections (b-5) and (b-15) of this
2 Section, as applicable, through implementation of energy
3 efficiency measures; however, the goals may be reduced if
4 either (1) clear and convincing evidence and independent
5 analysis demonstrates that the expenditure limits in
6 subsection (m) of this Section preclude full achievement
7 of the goals or (2) each of the following conditions are
8 met: (A) the plan's analysis and forecasts of the
9 utility's ability to acquire energy savings demonstrate by
10 clear and convincing evidence and through independent
11 analysis that achievement of such goals is not
12 cost-effective; and (B) the amount of energy savings
13 achieved by the utility as determined by the independent
14 evaluator for the most recent year for which savings have
15 been evaluated preceding the plan filing was less than the
16 average annual amount of savings required to achieve the
17 goals for the applicable 4-year plan period. If there is
18 not clear and convincing evidence that achieving the
19 savings goals specified in paragraphs (b-5) or (b-15) of
20 this Section is possible both cost-effectively and within
21 the expenditure limits in subsection (m), such savings
22 goals shall not be reduced. Except as provided in
23 subsection (m) of this Section, annual increases in
24 cumulative persisting annual savings goals during the
25 applicable 4-year plan period shall not be reduced to
26 amounts that are less than the maximum amount of

1 cumulative persisting annual savings that is forecast to
2 be cost-effectively achievable during the 4-year plan
3 period. The Commission shall review any proposed goal
4 reduction as part of its review and approval of the
5 utility's proposed plan.

6 Each utility's plan shall set forth the utility's
7 proposals to meet the energy efficiency standards identified
8 in subsection (b-5) or (b-15), as applicable and as such
9 standards may have been modified under this subsection (f),
10 taking into account the unique circumstances of the utility's
11 service territory. For those plans commencing on January 1,
12 2018, the Commission shall seek public comment on the
13 utility's plan and shall issue an order approving or
14 disapproving each plan no later than 105 days after June 1,
15 2017 (the effective date of Public Act 99-906). For those
16 plans commencing after December 31, 2021, the Commission shall
17 seek public comment on the utility's plan and shall issue an
18 order approving or disapproving each plan within 6 months
19 after its submission. If the Commission disapproves a plan,
20 the Commission shall, within 30 days, describe in detail the
21 reasons for the disapproval and describe a path by which the
22 utility may file a revised draft of the plan to address the
23 Commission's concerns satisfactorily. If the utility does not
24 refile with the Commission within 60 days, the utility shall
25 be subject to penalties at a rate of \$100,000 per day until the
26 plan is filed. This process shall continue, and penalties

1 shall accrue, until the utility has successfully filed a
2 portfolio of energy efficiency and demand-response measures.
3 Penalties shall be deposited into the Energy Efficiency Trust
4 Fund.

5 (g) In submitting proposed plans and funding levels under
6 subsection (f) of this Section to meet the savings goals
7 identified in subsection (b-5) or (b-15) of this Section, as
8 applicable, the utility shall:

9 (1) Demonstrate that its proposed energy efficiency
10 measures will achieve the applicable requirements that are
11 identified in subsection (b-5) or (b-15) of this Section,
12 as modified by subsection (f) of this Section.

13 (2) (Blank). ~~Present specific proposals to implement~~
14 ~~new building and appliance standards that have been placed~~
15 ~~into effect.~~

16 (2.5) Demonstrate consideration of program options for
17 (A) advancing new building codes, appliance standards, and
18 municipal regulations governing existing and new building
19 efficiency improvements and (B) supporting efforts to
20 improve compliance with new building codes, appliance
21 standards and municipal regulations, as potentially
22 cost-effective means of acquiring energy savings to count
23 toward savings goals.

24 (3) Demonstrate that its overall portfolio of
25 measures, not including low-income programs described in
26 subsection (c) of this Section, is cost-effective using

1 the total resource cost test or complies with paragraphs
2 (1) through (3) of subsection (f) of this Section and
3 represents a diverse cross-section of opportunities for
4 customers of all rate classes, other than those customers
5 described in subsection (1) of this Section, to
6 participate in the programs. Individual measures need not
7 be cost effective.

8 (3.5) Demonstrate that the utility's plan integrates
9 the delivery of energy efficiency programs with natural
10 gas efficiency programs, programs promoting distributed
11 solar, programs promoting demand response and other
12 efforts to address bill payment issues, including, but not
13 limited to, LIHEAP and the Percentage of Income Payment
14 Plan, to the extent such integration is practical and has
15 the potential to enhance customer engagement, minimize
16 market confusion, or reduce administrative costs.

17 (4) Present a third-party energy efficiency
18 implementation program subject to the following
19 requirements:

20 (A) beginning with the year commencing January 1,
21 2019, electric utilities that serve more than
22 3,000,000 retail customers in the State shall fund
23 third-party energy efficiency programs in an amount
24 that is no less than \$25,000,000 per year, and
25 electric utilities that serve less than 3,000,000
26 retail customers but more than 500,000 retail

1 customers in the State shall fund third-party energy
2 efficiency programs in an amount that is no less than
3 \$8,350,000 per year;

4 (B) during 2018, the utility shall conduct a
5 solicitation process for purposes of requesting
6 proposals from third-party vendors for those
7 third-party energy efficiency programs to be offered
8 during one or more of the years commencing January 1,
9 2019, January 1, 2020, and January 1, 2021; for those
10 multi-year plans commencing on January 1, 2022 and
11 January 1, 2026, the utility shall conduct a
12 solicitation process during 2021 and 2025,
13 respectively, for purposes of requesting proposals
14 from third-party vendors for those third-party energy
15 efficiency programs to be offered during one or more
16 years of the respective multi-year plan period; for
17 each solicitation process, the utility shall identify
18 the sector, technology, or geographical area for which
19 it is seeking requests for proposals; the solicitation
20 process must be either for programs that fill gaps in
21 the utility's program portfolio and for programs that
22 target low-income customers, business sectors,
23 building types, geographies, or other specific parts
24 of its customer base with initiatives that would be
25 more effective at reaching these customer segments
26 than the utilities' programs filed in its energy

1 efficiency plans;

2 (C) the utility shall propose the bidder
3 qualifications, performance measurement process, and
4 contract structure, which must include a performance
5 payment mechanism and general terms and conditions;
6 the proposed qualifications, process, and structure
7 shall be subject to Commission approval; and

8 (D) the utility shall retain an independent third
9 party to score the proposals received through the
10 solicitation process described in this paragraph (4),
11 rank them according to their cost per lifetime
12 kilowatt-hours saved, and assemble the portfolio of
13 third-party programs.

14 The electric utility shall recover all costs
15 associated with Commission-approved, third-party
16 administered programs regardless of the success of those
17 programs.

18 (4.5) Implement cost-effective demand-response
19 measures to reduce peak demand by 0.1% over the prior year
20 for eligible retail customers, as defined in Section
21 16-111.5 of this Act, and for customers that elect hourly
22 service from the utility pursuant to Section 16-107 of
23 this Act, provided those customers have not been declared
24 competitive. This requirement continues until December 31,
25 2026.

26 (5) Include a proposed or revised cost-recovery tariff

1 mechanism, as provided for under subsection (d) of this
2 Section, to fund the proposed energy efficiency and
3 demand-response measures and to ensure the recovery of the
4 prudently and reasonably incurred costs of
5 Commission-approved programs.

6 (6) Provide for an annual independent evaluation of
7 the performance of the cost-effectiveness of the utility's
8 portfolio of measures, as well as a full review of the
9 multi-year plan results of the broader net program impacts
10 and, to the extent practical, for adjustment of the
11 measures on a going-forward basis as a result of the
12 evaluations. The resources dedicated to evaluation shall
13 not exceed 3% of portfolio resources in any given year.

14 (7) For electric utilities that serve more than
15 3,000,000 retail customers in the State:

16 (A) Through December 31, 2025, provide for an
17 adjustment to the return on equity component of the
18 utility's weighted average cost of capital calculated
19 under subsection (d) of this Section:

20 (i) If the independent evaluator determines
21 that the utility achieved a cumulative persisting
22 annual savings that is less than the applicable
23 annual incremental goal, then the return on equity
24 component shall be reduced by a maximum of 200
25 basis points in the event that the utility
26 achieved no more than 75% of such goal. If the

1 utility achieved more than 75% of the applicable
2 annual incremental goal but less than 100% of such
3 goal, then the return on equity component shall be
4 reduced by 8 basis points for each percent by
5 which the utility failed to achieve the goal.

6 (ii) If the independent evaluator determines
7 that the utility achieved a cumulative persisting
8 annual savings that is more than the applicable
9 annual incremental goal, then the return on equity
10 component shall be increased by a maximum of 200
11 basis points in the event that the utility
12 achieved at least 125% of such goal. If the
13 utility achieved more than 100% of the applicable
14 annual incremental goal but less than 125% of such
15 goal, then the return on equity component shall be
16 increased by 8 basis points for each percent by
17 which the utility achieved above the goal. If the
18 applicable annual incremental goal was reduced
19 under paragraphs (1) or (2) of subsection (f) of
20 this Section, then the following adjustments shall
21 be made to the calculations described in this item
22 (ii):

23 (aa) the calculation for determining
24 achievement that is at least 125% of the
25 applicable annual incremental goal shall use
26 the unreduced applicable annual incremental

1 goal to set the value; and

2 (bb) the calculation for determining
3 achievement that is less than 125% but more
4 than 100% of the applicable annual incremental
5 goal shall use the reduced applicable annual
6 incremental goal to set the value for 100%
7 achievement of the goal and shall use the
8 unreduced goal to set the value for 125%
9 achievement. The 8 basis point value shall
10 also be modified, as necessary, so that the
11 200 basis points are evenly apportioned among
12 each percentage point value between 100% and
13 125% achievement.

14 (B) For the period January 1, 2026 through
15 December 31, 2029 and in all subsequent 4-year periods
16 ~~2030~~, provide for an adjustment to the return on
17 equity component of the utility's weighted average
18 cost of capital calculated under subsection (d) of
19 this Section:

20 (i) If the independent evaluator determines
21 that the utility achieved a cumulative persisting
22 annual savings that is less than the applicable
23 annual incremental goal, then the return on equity
24 component shall be reduced by a maximum of 200
25 basis points in the event that the utility
26 achieved no more than 66% of such goal. If the

1 utility achieved more than 66% of the applicable
2 annual incremental goal but less than 100% of such
3 goal, then the return on equity component shall be
4 reduced by 6 basis points for each percent by
5 which the utility failed to achieve the goal.

6 (ii) If the independent evaluator determines
7 that the utility achieved a cumulative persisting
8 annual savings that is more than the applicable
9 annual incremental goal, then the return on equity
10 component shall be increased by a maximum of 200
11 basis points in the event that the utility
12 achieved at least 134% of such goal. If the
13 utility achieved more than 100% of the applicable
14 annual incremental goal but less than 134% of such
15 goal, then the return on equity component shall be
16 increased by 6 basis points for each percent by
17 which the utility achieved above the goal. If the
18 applicable annual incremental goal was reduced
19 under paragraph (3) of subsection (f) of this
20 Section, then the following adjustments shall be
21 made to the calculations described in this item
22 (ii):

23 (aa) the calculation for determining
24 achievement that is at least 134% of the
25 applicable annual incremental goal shall use
26 the unreduced applicable annual incremental

1 goal to set the value; and

2 (bb) the calculation for determining
3 achievement that is less than 134% but more
4 than 100% of the applicable annual incremental
5 goal shall use the reduced applicable annual
6 incremental goal to set the value for 100%
7 achievement of the goal and shall use the
8 unreduced goal to set the value for 134%
9 achievement. The 6 basis point value shall
10 also be modified, as necessary, so that the
11 200 basis points are evenly apportioned among
12 each percentage point value between 100% and
13 134% achievement.

14 (C) Notwithstanding the provisions of
15 subparagraphs (A) and (B) of this paragraph (7), if
16 the applicable annual incremental goal for an electric
17 utility is ever less than 0.6% of deemed average
18 weather normalized sales of electric power and energy
19 during calendar years 2014, 2015, and 2016, an
20 adjustment to the return on equity component of the
21 utility's weighted average cost of capital calculated
22 under subsection (d) of this Section shall be made as
23 follows:

24 (i) If the independent evaluator determines
25 that the utility achieved a cumulative persisting
26 annual savings that is less than would have been

1 achieved had the applicable annual incremental
2 goal been achieved, then the return on equity
3 component shall be reduced by a maximum of 200
4 basis points if the utility achieved no more than
5 75% of its applicable annual total savings
6 requirement as defined in paragraph (7.5) of this
7 subsection. If the utility achieved more than 75%
8 of the applicable annual total savings requirement
9 but less than 100% of such goal, then the return on
10 equity component shall be reduced by 8 basis
11 points for each percent by which the utility
12 failed to achieve the goal.

13 (ii) If the independent evaluator determines
14 that the utility achieved a cumulative persisting
15 annual savings that is more than would have been
16 achieved had the applicable annual incremental
17 goal been achieved, then the return on equity
18 component shall be increased by a maximum of 200
19 basis points if the utility achieved at least 125%
20 of its applicable annual total savings
21 requirement. If the utility achieved more than
22 100% of the applicable annual total savings
23 requirement but less than 125% of such goal, then
24 the return on equity component shall be increased
25 by 8 basis points for each percent by which the
26 utility achieved above the applicable annual total

1 savings requirement. If the applicable annual
2 incremental goal was reduced under paragraph (1)
3 or (2) of subsection (f) of this Section, then the
4 following adjustments shall be made to the
5 calculations described in this item (ii):

6 (aa) the calculation for determining
7 achievement that is at least 125% of the
8 applicable annual total savings requirement
9 shall use the unreduced applicable annual
10 incremental goal to set the value; and

11 (bb) the calculation for determining
12 achievement that is less than 125% but more
13 than 100% of the applicable annual total
14 savings requirement shall use the reduced
15 applicable annual incremental goal to set the
16 value for 100% achievement of the goal and
17 shall use the unreduced goal to set the value
18 for 125% achievement. The 8 basis point value
19 shall also be modified, as necessary, so that
20 the 200 basis points are evenly apportioned
21 among each percentage point value between 100%
22 and 125% achievement.

23 (7.5) For purposes of this Section, the term
24 "applicable annual incremental goal" means the difference
25 between the cumulative persisting annual savings goal for
26 the calendar year that is the subject of the independent

1 evaluator's determination and the cumulative persisting
2 annual savings goal for the immediately preceding calendar
3 year, as such goals are defined in subsections (b-5) and
4 (b-15) of this Section and as these goals may have been
5 modified as provided for under subsection (b-20) and
6 paragraphs (1) through (3) of subsection (f) of this
7 Section. Under subsections (b), (b-5), (b-10), and (b-15)
8 of this Section, a utility must first replace energy
9 savings from measures that have expired ~~reached the end of~~
10 ~~their measure lives and would otherwise have to be~~
11 ~~replaced to meet the applicable savings goals identified~~
12 ~~in subsection (b-5) or (b-15) of this Section~~ before any
13 progress towards achievement of its applicable annual
14 incremental goal may be counted. Savings may expire
15 because measures installed in previous years have reached
16 the end of their lives, because measures installed in
17 previous years are producing lower savings in the current
18 year than in the previous year, or for other reasons
19 identified by independent evaluators. Notwithstanding
20 anything else set forth in this Section, the difference
21 between the actual annual incremental savings achieved in
22 any given year, including the replacement of energy
23 savings ~~from measures~~ that have expired, and the
24 applicable annual incremental goal shall not affect
25 adjustments to the return on equity for subsequent
26 calendar years under this subsection (g).

1 In this Section, "applicable annual total savings
2 requirement" means the total amount of new annual savings
3 that the utility must achieve in any given year to achieve
4 the applicable annual incremental goal. This is equal to
5 the applicable annual incremental goal plus the total new
6 annual savings that are required to replace savings that
7 expired in or at the end of the previous year.

8 (8) For electric utilities that serve less than
9 3,000,000 retail customers but more than 500,000 retail
10 customers in the State:

11 (A) Through December 31, 2025, the applicable
12 annual incremental goal shall be compared to the
13 annual incremental savings as determined by the
14 independent evaluator.

15 (i) The return on equity component shall be
16 reduced by 8 basis points for each percent by
17 which the utility did not achieve 84.4% of the
18 applicable annual incremental goal.

19 (ii) The return on equity component shall be
20 increased by 8 basis points for each percent by
21 which the utility exceeded 100% of the applicable
22 annual incremental goal.

23 (iii) The return on equity component shall not
24 be increased or decreased if the annual
25 incremental savings as determined by the
26 independent evaluator is greater than 84.4% of the

1 applicable annual incremental goal and less than
2 100% of the applicable annual incremental goal.

3 (iv) The return on equity component shall not
4 be increased or decreased by an amount greater
5 than 200 basis points pursuant to this
6 subparagraph (A).

7 (B) For the period of January 1, 2026 through
8 December 31, 2029 and in all subsequent 4-year periods
9 ~~2030~~, the applicable annual incremental goal shall be
10 compared to the annual incremental savings as
11 determined by the independent evaluator.

12 (i) The return on equity component shall be
13 reduced by 6 basis points for each percent by
14 which the utility did not achieve 100% of the
15 applicable annual incremental goal.

16 (ii) The return on equity component shall be
17 increased by 6 basis points for each percent by
18 which the utility exceeded 100% of the applicable
19 annual incremental goal.

20 (iii) The return on equity component shall not
21 be increased or decreased by an amount greater
22 than 200 basis points pursuant to this
23 subparagraph (B).

24 (C) Notwithstanding provisions in subparagraphs
25 (A) and (B) of paragraph (7) of this subsection, if the
26 applicable annual incremental goal for an electric

1 utility is ever less than 0.6% of deemed average
2 weather normalized sales of electric power and energy
3 during calendar years 2014, 2015 and 2016, an
4 adjustment to the return on equity component of the
5 utility's weighted average cost of capital calculated
6 under subsection (d) of this Section shall be made as
7 follows:

8 (i) The return on equity component shall be
9 reduced by 8 basis points for each percent by
10 which the utility did not achieve 100% of the
11 applicable annual total savings requirement.

12 (ii) The return on equity component shall be
13 increased by 8 basis points for each percent by
14 which the utility exceeded 100% of the applicable
15 annual total savings requirement.

16 (iii) The return on equity component shall not
17 be increased or decreased by an amount greater
18 than 200 basis points pursuant to this
19 subparagraph (C).

20 (D) ~~(C)~~ If the applicable annual incremental goal
21 was reduced under ~~paragraph~~ ~~paragraphs~~ (1), (2), ~~or~~
22 (3), ~~or~~ (4) of subsection (f) of this Section, then the
23 following adjustments shall be made to the
24 calculations described in subparagraphs (A), ~~and~~ (B),
25 and (C) of this paragraph (8):

26 (i) The calculation for determining

1 achievement that is at least 125% or 134%, as
2 applicable, of the applicable annual incremental
3 goal or the applicable annual total savings
4 requirement, as applicable, shall use the
5 unreduced applicable annual incremental goal to
6 set the value.

7 (ii) For the period through December 31, 2025,
8 the calculation for determining achievement that
9 is less than 125% but more than 100% of the
10 applicable annual incremental goal or the
11 applicable annual total savings requirement, as
12 applicable, shall use the reduced applicable
13 annual incremental goal to set the value for 100%
14 achievement of the goal and shall use the
15 unreduced goal to set the value for 125%
16 achievement. The 8 basis point value shall also be
17 modified, as necessary, so that the 200 basis
18 points are evenly apportioned among each
19 percentage point value between 100% and 125%
20 achievement.

21 (iii) For the period of January 1, 2026
22 through December 31, 2029 and all subsequent
23 4-year periods, the calculation for determining
24 achievement that is less than 125% or 134%, as
25 applicable, but more than 100% of the applicable
26 annual incremental goal or the applicable annual

1 total savings requirement, as applicable, shall
2 use the reduced applicable annual incremental goal
3 to set the value for 100% achievement of the goal
4 and shall use the unreduced goal to set the value
5 for 125% achievement. The 6 basis-point value or 8
6 basis-point value, as applicable, shall also be
7 modified, as necessary, so that the 200 basis
8 points are evenly apportioned among each
9 percentage point value between 100% and 125% or
10 between 100% and 134% achievement, as applicable
11 ~~2030, the calculation for determining achievement~~
12 ~~that is less than 134% but more than 100% of the~~
13 ~~applicable annual incremental goal shall use the~~
14 ~~reduced applicable annual incremental goal to set~~
15 ~~the value for 100% achievement of the goal and~~
16 ~~shall use the unreduced goal to set the value for~~
17 ~~125% achievement. The 6 basis point value shall~~
18 ~~also be modified, as necessary, so that the 200~~
19 ~~basis points are evenly apportioned among each~~
20 ~~percentage point value between 100% and 134%~~
21 ~~achievement.~~

22 (9) The utility shall submit the energy savings data
23 to the independent evaluator no later than 30 days after
24 the close of the plan year. The independent evaluator
25 shall determine the cumulative persisting annual savings
26 for a given plan year, as well as an estimate of job

1 impacts and other macroeconomic impacts of the efficiency
2 programs for that year, no later than 120 days after the
3 close of the plan year. The utility shall submit an
4 informational filing to the Commission no later than 160
5 days after the close of the plan year that attaches the
6 independent evaluator's final report identifying the
7 cumulative persisting annual savings for the year and
8 calculates, under paragraph (7) or (8) of this subsection
9 (g), as applicable, any resulting change to the utility's
10 return on equity component of the weighted average cost of
11 capital applicable to the next plan year beginning with
12 the January monthly billing period and extending through
13 the December monthly billing period. However, if the
14 utility recovers the costs incurred under this Section
15 under paragraphs (2) and (3) of subsection (d) of this
16 Section, then the utility shall not be required to submit
17 such informational filing, and shall instead submit the
18 information that would otherwise be included in the
19 informational filing as part of its filing under paragraph
20 (3) of such subsection (d) that is due on or before June 1
21 of each year.

22 For those utilities that must submit the informational
23 filing, the Commission may, on its own motion or by
24 petition, initiate an investigation of such filing,
25 provided, however, that the utility's proposed return on
26 equity calculation shall be deemed the final, approved

1 calculation on December 15 of the year in which it is filed
2 unless the Commission enters an order on or before
3 December 15, after notice and hearing, that modifies such
4 calculation consistent with this Section.

5 The adjustments to the return on equity component
6 described in paragraphs (7) and (8) of this subsection (g)
7 shall be applied as described in such paragraphs through a
8 separate tariff mechanism, which shall be filed by the
9 utility under subsections (f) and (g) of this Section.

10 (9.5) The utility must demonstrate how it will ensure
11 that program implementation contractors and energy
12 efficiency installation vendors will promote workforce
13 equity and quality jobs.

14 (9.6) Utilities shall collect data necessary to ensure
15 compliance with paragraph (9.5) no less than quarterly and
16 shall communicate progress toward compliance with
17 paragraph (9.5) to program implementation contractors and
18 energy efficiency installation vendors no less than
19 quarterly. Utilities shall work with relevant vendors,
20 providing education, training, and other resources needed
21 to ensure compliance and, where necessary, adjusting or
22 terminating work with vendors that cannot assist with
23 compliance.

24 (10) Utilities required to implement efficiency
25 programs under subsections (b-5) and (b-10) shall report
26 annually to the Illinois Commerce Commission and the

1 General Assembly on how hiring, contracting, job training,
2 and other practices related to its energy efficiency
3 programs enhance the diversity of vendors working on such
4 programs. These reports must include data on vendor and
5 employee diversity, including data on the implementation
6 of paragraphs (9.5) and (9.6). If the utility is not
7 meeting the requirements of paragraphs (9.5) and (9.6),
8 the utility shall submit a plan to adjust their activities
9 so that they meet the requirements of paragraphs (9.5) and
10 (9.6) within the following year.

11 (h) No more than 4% ~~6%~~ of energy efficiency and
12 demand-response program revenue may be allocated for research,
13 development, or pilot deployment of new equipment or measures.
14 Electric utilities shall work with interested stakeholders to
15 formulate a plan for how these funds should be spent,
16 incorporate statewide approaches for these allocations, and
17 file a 4-year plan that demonstrates that collaboration. If a
18 utility files a request for modified annual energy savings
19 goals with the Commission, then a utility shall forgo spending
20 portfolio dollars on research and development proposals.

21 (i) When practicable, electric utilities shall incorporate
22 advanced metering infrastructure data into the planning,
23 implementation, and evaluation of energy efficiency measures
24 and programs, subject to the data privacy and confidentiality
25 protections of applicable law.

26 (j) The independent evaluator shall follow the guidelines

1 and use the savings set forth in Commission-approved energy
2 efficiency policy manuals and technical reference manuals, as
3 each may be updated from time to time. Until such time as
4 measure life values for energy efficiency measures implemented
5 for low-income households under subsection (c) of this Section
6 are incorporated into such Commission-approved manuals, the
7 low-income measures shall have the same measure life values
8 that are established for same measures implemented in
9 households that are not low-income households.

10 (k) Notwithstanding any provision of law to the contrary,
11 an electric utility subject to the requirements of this
12 Section may file a tariff cancelling an automatic adjustment
13 clause tariff in effect under this Section or Section 8-103,
14 which shall take effect no later than one business day after
15 the date such tariff is filed. Thereafter, the utility shall
16 be authorized to defer and recover its expenditures incurred
17 under this Section through a new tariff authorized under
18 subsection (d) of this Section or in the utility's next rate
19 case under Article IX or Section 16-108.5 of this Act, with
20 interest at an annual rate equal to the utility's weighted
21 average cost of capital as approved by the Commission in such
22 case. If the utility elects to file a new tariff under
23 subsection (d) of this Section, the utility may file the
24 tariff within 10 days after June 1, 2017 (the effective date of
25 Public Act 99-906), and the cost inputs to such tariff shall be
26 based on the projected costs to be incurred by the utility

1 during the calendar year in which the new tariff is filed and
2 that were not recovered under the tariff that was cancelled as
3 provided for in this subsection. Such costs shall include
4 those incurred or to be incurred by the utility under its
5 multi-year plan approved under subsections (f) and (g) of this
6 Section, including, but not limited to, projected capital
7 investment costs and projected regulatory asset balances with
8 correspondingly updated depreciation and amortization reserves
9 and expense. The Commission shall, after notice and hearing,
10 approve, or approve with modification, such tariff and cost
11 inputs no later than 75 days after the utility filed the
12 tariff, provided that such approval, or approval with
13 modification, shall be consistent with the provisions of this
14 Section to the extent they do not conflict with this
15 subsection (k). The tariff approved by the Commission shall
16 take effect no later than 5 days after the Commission enters
17 its order approving the tariff.

18 No later than 60 days after the effective date of the
19 tariff cancelling the utility's automatic adjustment clause
20 tariff, the utility shall file a reconciliation that
21 reconciles the moneys collected under its automatic adjustment
22 clause tariff with the costs incurred during the period
23 beginning June 1, 2016 and ending on the date that the electric
24 utility's automatic adjustment clause tariff was cancelled. In
25 the event the reconciliation reflects an under-collection, the
26 utility shall recover the costs as specified in this

1 subsection (k). If the reconciliation reflects an
2 over-collection, the utility shall apply the amount of such
3 over-collection as a one-time credit to retail customers'
4 bills.

5 (1) For the calendar years covered by a multi-year plan
6 commencing after December 31, 2017, subsections (a) through
7 (j) of this Section do not apply to eligible large private
8 energy customers that have chosen to opt out of multi-year
9 plans consistent with this subsection (1).

10 (1) For purposes of this subsection (1), "eligible
11 large private energy customer" means any retail customers,
12 except for federal, State, municipal, and other public
13 customers, of an electric utility that serves more than
14 3,000,000 retail customers, except for federal, State,
15 municipal and other public customers, in the State and
16 whose total highest 30 minute demand was more than 10,000
17 kilowatts, or any retail customers of an electric utility
18 that serves less than 3,000,000 retail customers but more
19 than 500,000 retail customers in the State and whose total
20 highest 15 minute demand was more than 10,000 kilowatts.
21 For purposes of this subsection (1), "retail customer" has
22 the meaning set forth in Section 16-102 of this Act.
23 However, for a business entity with multiple sites located
24 in the State, where at least one of those sites qualifies
25 as an eligible large private energy customer, then any of
26 that business entity's sites, properly identified on a

1 form for notice, shall be considered eligible large
2 private energy customers for the purposes of this
3 subsection (1). A determination of whether this subsection
4 is applicable to a customer shall be made for each
5 multi-year plan beginning after December 31, 2017. The
6 criteria for determining whether this subsection (1) is
7 applicable to a retail customer shall be based on the 12
8 consecutive billing periods prior to the start of the
9 first year of each such multi-year plan.

10 (2) Within 45 days after the effective date of this
11 amendatory Act of the 102nd General Assembly, the
12 Commission shall prescribe the form for notice required
13 for opting out of energy efficiency programs. The notice
14 must be submitted to the retail electric utility 12 months
15 before the next energy efficiency planning cycle. However,
16 within 120 days after the Commission's initial issuance of
17 the form for notice, eligible large private energy
18 customers may submit a form for notice to an electric
19 utility. The form for notice for opting out of energy
20 efficiency programs shall include all of the following:

21 (A) a statement indicating that the customer has
22 elected to opt out;

23 (B) the account numbers for the customer accounts
24 to which the opt out shall apply;

25 (C) the mailing address associated with the
26 customer accounts identified under subparagraph (B);

1 (D) an American Society of Heating, Refrigerating,
2 and Air-Conditioning Engineers (ASHRAE) level 2 or
3 higher audit report conducted by an independent
4 third-party expert identifying cost-effective energy
5 efficiency project opportunities that could be
6 invested in over the next 10 years. A retail customer
7 with specialized processes may utilize a self-audit
8 process in lieu of the ASHRAE audit;

9 (E) a description of the customer's plans to
10 reallocate the funds toward internal energy efficiency
11 efforts identified in the subparagraph (D) report,
12 including, but not limited to: (i) strategic energy
13 management or other programs, including descriptions
14 of targeted buildings, equipment and operations; (ii)
15 eligible energy efficiency measures; and (iii)
16 expected energy savings, itemized by technology. If
17 the subparagraph (D) audit report identifies that the
18 customer currently utilizes the best available energy
19 efficient technology, equipment, programs, and
20 operations, the customer may provide a statement that
21 more efficient technology, equipment, programs, and
22 operations are not reasonably available as a means of
23 satisfying this subparagraph (E); and

24 (F) the effective date of the opt out, which will
25 be the next January 1 following notice of the opt out.

26 (3) Upon receipt of a properly and timely noticed

1 request for opt out submitted by an eligible large private
2 energy customer, the retail electric utility shall grant
3 the request, file the request with the Commission and,
4 beginning January 1 of the following year, the opted out
5 customer shall no longer be assessed the costs of the plan
6 and shall be prohibited from participating in that 4-year
7 plan cycle to give the retail utility the certainty to
8 design program plan proposals.

9 (4) Upon a customer's election to opt out under
10 paragraphs (1) and (2) of this subsection (1) and
11 commencing on the effective date of said opt out, the
12 account properly identified in the customer's notice under
13 paragraph (2) shall not be subject to any cost recovery
14 and shall not be eligible to participate in, or directly
15 benefit from, compliance with energy efficiency cumulative
16 persisting savings requirements under subsections (a)
17 through (j).

18 (5) A utility's cumulative persisting annual savings
19 targets will exclude any opted out load.

20 (6) The request to opt out is only valid for the
21 requested plan cycle. An eligible large private energy
22 customer must also request to opt out for future energy
23 plan cycles, otherwise the customer will be included in
24 the future energy plan cycle. ~~For the calendar years~~
25 ~~covered by a multi year plan commencing after December 31,~~
26 ~~2017, subsections (a) through (j) of this Section do not~~

1 ~~apply to any retail customers of an electric utility that~~
2 ~~serves more than 3,000,000 retail customers in the State~~
3 ~~and whose total highest 30 minute demand was more than~~
4 ~~10,000 kilowatts, or any retail customers of an electric~~
5 ~~utility that serves less than 3,000,000 retail customers~~
6 ~~but more than 500,000 retail customers in the State and~~
7 ~~whose total highest 15 minute demand was more than 10,000~~
8 ~~kilowatts. For purposes of this subsection (1), "retail~~
9 ~~customer" has the meaning set forth in Section 16-102 of~~
10 ~~this Act. A determination of whether this subsection is~~
11 ~~applicable to a customer shall be made for each multi-year~~
12 ~~plan beginning after December 31, 2017. The criteria for~~
13 ~~determining whether this subsection (1) is applicable to a~~
14 ~~retail customer shall be based on the 12 consecutive~~
15 ~~billing periods prior to the start of the first year of~~
16 ~~each such multi-year plan.~~

17 (m) Notwithstanding the requirements of this Section, as
18 part of a proceeding to approve a multi-year plan under
19 subsections (f) and (g) of this Section if the multi-year plan
20 has been designed to maximize savings, but does not meet the
21 cost cap limitations of this Section, the Commission shall
22 reduce the amount of energy efficiency measures implemented
23 for any single year, and whose costs are recovered under
24 subsection (d) of this Section, by an amount necessary to
25 limit the estimated average net increase due to the cost of the
26 measures to no more than

1 (1) 3.5% for each of the 4 years beginning January 1,
2 2018,

3 (2) (blank), ~~3.75% for each of the 4 years beginning~~
4 ~~January 1, 2022, and~~

5 (3) 4% for each of the 4 ~~5~~ years beginning January 1,
6 2022 ~~2026~~,

7 (4) 4.25% for the 4 years beginning January 1, 2026,
8 and

9 (5) 4.25% plus an increase sufficient to account for
10 the rate of inflation between January 1, 2026 and January
11 1 of the first year of each subsequent 4-year plan cycle,

12 of the average amount paid per kilowatthour by residential
13 eligible retail customers during calendar year 2015. An
14 electric utility may plan to spend up to 10% more in any year
15 during an applicable multi-year plan period to
16 cost-effectively achieve additional savings so long as the
17 average over the applicable multi-year plan period does not
18 exceed the percentages defined in items (1) through (5). To
19 determine the total amount that may be spent by an electric
20 utility in any single year, the applicable percentage of the
21 average amount paid per kilowatthour shall be multiplied by
22 the total amount of energy delivered by such electric utility
23 in the calendar year 2015, adjusted to reflect the proportion
24 of the utility's load attributable to customers that have
25 opted out of ~~who are exempt from~~ subsections (a) through (j) of
26 this Section under subsection (1) of this Section. For

1 purposes of this subsection (m), the amount paid per
2 kilowatthour includes, without limitation, estimated amounts
3 paid for supply, transmission, distribution, surcharges, and
4 add-on taxes. For purposes of this Section, "eligible retail
5 customers" shall have the meaning set forth in Section
6 16-111.5 of this Act. Once the Commission has approved a plan
7 under subsections (f) and (g) of this Section, no subsequent
8 rate impact determinations shall be made.

9 (n) A utility shall take advantage of the efficiencies
10 available through existing Illinois Home Weatherization
11 Assistance Program infrastructure and services, such as
12 enrollment, marketing, quality assurance and implementation,
13 which can reduce the need for similar services at a lower cost
14 than utility-only programs, subject to capacity constraints at
15 community action agencies, for both single-family and
16 multifamily weatherization services, to the extent Illinois
17 Home Weatherization Assistance Program community action
18 agencies provide multifamily services. A utility's plan shall
19 demonstrate that in formulating annual weatherization budgets,
20 it has sought input and coordination with community action
21 agencies regarding agencies' capacity to expand and maximize
22 Illinois Home Weatherization Assistance Program delivery using
23 the ratepayer dollars collected under this Section.

24 (Source: P.A. 100-840, eff. 8-13-18; 101-81, eff. 7-12-19.)

1 Sec. 8-201.7. Prohibition on deposits for low-income
2 residential customers or applicants.

3 (a) On and after the effective date of this amendatory Act
4 of the 102nd General Assembly, no electric or gas utility
5 shall, as a condition for standard service, require a
6 low-income residential customer or applicant to provide a
7 deposit as security against potential non-payment for service
8 except when the utility has proof that the customer engaged in
9 tampering of the electric or gas utility equipment during the
10 previous 5 years. Within 60 days after the effective date of
11 this amendatory Act of the 102nd General Assembly, such
12 utility shall refund all deposits collected from low-income
13 customers as security against potential nonpayment for
14 standard service to such residential customers except when the
15 utility has proof that the customer benefited from tampering.
16 Proof that the customer for whom the deposit is being required
17 engaged in tampering shall be the burden of the utility and the
18 utility shall provide the customer the opportunity to contest
19 the finding that the customer engaged in tampering.

20 (b) As used in this Section:

21 "Low-income residential customer or applicant" means: (i)
22 a member of a household at or below 80% of the latest median
23 household income as reported by the United States Census
24 Bureau for the most applicable community or county; (ii) a
25 member of a household at or below 150% of the federal poverty
26 level; (iii) a person who is eligible for the Illinois Low

1 Income Home Energy Assistance Program (LIHEAP) as defined in
2 the Energy Assistance Act; (iv) a person who is eligible to
3 participate in the Percentage of Income Payment Plan (PIPP or
4 PIP Plan) as defined in the Energy Assistance Act; or (v) a
5 person who is eligible to receive Lifeline service as defined
6 in the Universal Service Telephone Service Protection Law of
7 1985.

8 "Tampering" means any unauthorized alteration of electric
9 or gas utility equipment or facilities by which a benefit is
10 achieved for which the utility is not compensated, including
11 customer self-restoration of utility service.

12 (220 ILCS 5/8-201.8 new)

13 Sec. 8-201.8. Prohibition on late payment fees for
14 low-income residential customers or applicants.

15 (a) Notwithstanding any other provision of this Act, as of
16 the effective date of this amendatory Act of the 102nd General
17 Assembly, an electric utility shall not charge a low-income
18 residential customer or applicant a fee, charge, or penalty
19 for late payment of any utility bill or invoice.

20 Notwithstanding any other provision of this Act, as of January
21 1, 2023, a natural gas utility shall not charge a low-income
22 residential customer or applicant a fee, charge, or penalty
23 for late payment of any utility bill or invoice.

24 (b) As used in this Section, "low-income residential
25 customer or applicant" means: (i) a member of a household at or

1 below 80% of the latest median household income as reported by
2 the United States Census Bureau for the most applicable
3 community or county; (ii) a member of a household at or below
4 150% of the federal poverty level; (iii) a person who is
5 eligible for the Illinois Low Income Home Energy Assistance
6 Program (LIHEAP) as defined in the Energy Assistance Act; (iv)
7 a person who is eligible to participate in the Percentage of
8 Income Payment Plan (PIPP or PIP Plan) as defined in the Energy
9 Assistance Act; or (v) a person who is eligible to receive
10 Lifeline service as defined in the Universal Service Telephone
11 Service Protection Law of 1985.

12 (220 ILCS 5/8-201.9 new)

13 Sec. 8-201.9. Prohibition on credit card convenience fees.

14 (a) No electric or natural gas utility shall assess any
15 convenience fee, surcharge, or other fee to any customer who
16 elects to pay for service using a credit card that the electric
17 or natural gas utility would not assess to the customer if the
18 customer paid by other available methods acceptable to the
19 utility. The Commission may consider as an operating expense,
20 for the purpose of determining whether a rate or other charge
21 or classification is sufficient, costs incurred by a utility
22 to process payments described in this Section so long as those
23 costs are determined to be prudent, just, and reasonable.

24 (b) As used in this Section, "credit card" means an
25 instrument or device, whether known as a credit card, bank

1 card, charge card, debit card, automated teller machine card,
2 secured credit card, smart card, electronic purse, prepaid
3 card, affinity card, or by any other name, issued with or
4 without fee by an issuer for the use of the holder to obtain
5 credit, money, goods, services, or anything else of value.

6 (220 ILCS 5/8-201.10 new)

7 Sec. 8-201.10. Disconnection and credit and collections
8 reporting.

9 (a) The Commission shall require all gas, electric, water
10 and sewer public utilities under its authority to submit an
11 annual report by May 1, 2022 and every May 1 thereafter,
12 reporting and making publicly available in executable,
13 electronic spreadsheet format, by zip code, on the number of
14 disconnections for nonpayment and reconnections that occurred
15 in the immediately preceding calendar year, as identified in
16 subsection (b).

17 (b) Each such public utility shall report to the
18 Commission by the 15th day of each month and make publicly
19 available in executable, electronic spreadsheet format the
20 following information, by zip code, for the immediately
21 preceding month:

22 (1) the number of customers, by customer class and
23 type of utility service provided, during each month;

24 (2) the number of customers, by customer class and
25 type of utility service, receiving disconnection notices

1 during each month;

2 (3) the number of customers, by customer class and
3 type of utility service, disconnected for nonpayment
4 during each month;

5 (4) the number of customers, by customer class and
6 type of utility service, reconnected because they have
7 paid in full or set up payment arrangements during each
8 month;

9 (5) the number of new deferred payment agreements, by
10 customer class and type of utility service, each month;

11 (6) the number of customers, by customer class and
12 type of utility service, taking service at the beginning
13 of the month under existing deferred payment arrangements;

14 (7) the number of customers, by customer class and
15 type of utility service, completing deferred payment
16 arrangements during the month;

17 (8) the number of payment agreements, by customer
18 class and type of utility service, that failed during each
19 month;

20 (9) the number of customers, by customer class and
21 type of utility service, renegotiating deferred payment
22 arrangements during the month;

23 (10) the number of customers, by customer class and
24 type of utility service, assessed late payment fees or
25 charges during the month;

26 (11) the number of customers, by customer class and

1 type of utility service, taking service at the beginning
2 of the month under existing medical payment arrangements;

3 (12) the number of customers, by utility service,
4 completing medical payment arrangements during the month;

5 (13) the number of customers, by utility service,
6 enrolling in new medical payment arrangements during the
7 month;

8 (14) the number of customers, by utility service,
9 renegotiating medical payment arrangements plans during
10 the month;

11 (15) the number of customers, by customer class and
12 utility service, with required deposits with the company
13 at the beginning of the month;

14 (16) the number of customers, by customer class and
15 utility service, required to submit new deposits or
16 increased deposits during the month;

17 (17) the number of customers, by customer class and
18 utility service, whose required deposits were reduced in
19 part or forgone during the month;

20 (18) the number of customers, by customer class and
21 utility service, whose deposits were returned in full
22 during the month;

23 (19) the number of customers, by customer class and
24 utility service, with past due amounts greater than 30
25 days past due at the beginning of the month and taking
26 service at the beginning of the month under existing

1 deferred payment arrangements;

2 (20) the dollar volume of past due accounts, by
3 customer class and utility service, for customers with
4 past due amounts greater than 30 days past due at the
5 beginning of the month and taking service at the beginning
6 of the month under existing deferred payment arrangements;

7 (21) the number of customers, by customer class and
8 utility service, with past due amounts greater than 30
9 days past due at the beginning of the month and not taking
10 service at the beginning of the month under existing
11 deferred payment arrangements; and

12 (22) the dollar volume of past due accounts, by
13 customer class and utility service, for customers with
14 past due amounts greater than 30 days past due at the
15 beginning of the month and not taking service at the
16 beginning of the month under existing deferred payment
17 arrangements.

18 (c) The Commission may specify the executable, electronic
19 spreadsheet format that utilities must adhere to when
20 submitting the information required by this Section.
21 Notwithstanding the requirements of this Section, the
22 Commission may establish an online reporting system and
23 require each public utility to report using the online
24 reporting system instead of filing information in executable,
25 electronic spreadsheet format. The Commission shall make each
26 monthly report submitted by each public utility publicly

1 available on its website within 30 days of receipt.

2 (220 ILCS 5/8-218 new)

3 Sec. 8-218. Utility-scale pilot projects.

4 (a) Electric utilities serving greater than 500,000
5 customers but less than 3,000,000 customers may propose, plan
6 for, construct, install, control, own, manage, or operate up
7 to 2 pilot projects consisting of utility-scale photovoltaic
8 energy generation facilities. Energy storage facilities that
9 are planned for, constructed, installed, controlled, owned,
10 managed, or operated may be constructed in connection with the
11 photovoltaic electricity generation pilot projects.

12 (b) Pilot projects shall be sited in equity investment
13 eligible communities in or near the towns of Peoria and East
14 St. Louis and must result in economic benefits for the members
15 of the communities in which the project will be located. The
16 amount paid per pilot project with or without energy storage
17 facilities cannot exceed \$20,000,000. The electric utility's
18 costs of planning for, constructing, installing, controlling,
19 owning, managing, or operating the photovoltaic electricity
20 generation facilities and energy storage facilities may be
21 recovered, on a kilowatt hour basis, via an automatic
22 adjustment clause tariff applicable to all retail customers,
23 with the tariff to be approved by the Commission after
24 opportunity for review, and with an annual reconciliation
25 component; and for purposes of cost recovery, the photovoltaic

1 electricity production facilities may be treated as regulatory
2 assets, using the same ratemaking treatment in paragraph (1)
3 of subsection (h) of Section 16-107.6 of this Act, provided:
4 (1) the Commission shall have the authority to determine the
5 reasonableness of the costs of the facilities, and (2) any
6 monetary value of power and energy from the facilities shall
7 be credited against the delivery services revenue requirement.

8 (c) Any electric utility seeking to propose, plan for,
9 construct, install, control, own, manage, or operate a pilot
10 project pursuant to this Section must commit to using a
11 diverse and equitable workforce and a diverse set of
12 contractors, including minority-owned businesses,
13 disadvantaged businesses, trade unions, graduates of any
14 workforce training programs established by this amendatory Act
15 of the 102nd General Assembly, and small businesses. An
16 electric utility must comply with the equity commitment
17 requirements in subsection (c-10) of Section 1-75 of the
18 Illinois Power Agency Act. The electric utility must certify
19 that not less than the prevailing wage will be paid to
20 employees engaged in construction activities associated with
21 the pilot project. The electric utility must file a project
22 labor agreement, as defined in the Illinois Power Agency Act,
23 with the Commission prior to constructing, installing,
24 controlling, or owning a pilot project authorized by this
25 Section.

1 (220 ILCS 5/8-402.2 new)

2 Sec. 8-402.2. Public Schools Carbon-Free Assessment
3 programs.

4 (a) Within one year after the effective date of this
5 amendatory Act of the 102nd General Assembly, each electric
6 utility serving over 500,000 retail customers in this State
7 shall implement a Public Schools Carbon-Free Assessment
8 program.

9 (b) Each utility's Public Schools Carbon-Free Assessment
10 program shall include the following requirements:

11 (1) Each plan shall be designed to offer within the
12 utility's service territory to assist public schools, as
13 defined by Section 1-3 of the School Code, to increase the
14 efficiency of their energy usage, to reduce the carbon
15 emissions associated with their energy usage, and to move
16 toward a goal of public schools being carbon-free in their
17 energy usage by 2030. The program shall include a target
18 of completing Public Schools Carbon-Free Assessment for
19 all public schools in the utility's service territory by
20 December 31, 2029.

21 (2) The Public Schools Carbon-Free Assessment shall be
22 a generally standardized assessment, but may incorporate
23 flexibility to reflect the circumstances of individual
24 public schools and public school districts.

25 (3) The Public Schools Carbon-Free Assessment shall
26 include, but not be limited to, comprehensive analyses of

1 the following subjects:

2 (A) The top energy efficiency savings
3 opportunities for the public school, by energy saved;

4 (B) The total achievable solar energy potential on
5 or nearby a public school's premises and able to
6 provide power to a school;

7 (C) The infrastructure required to support
8 electrification of the facility's space heating and
9 water heating needs;

10 (D) The infrastructure requirements to support
11 electrification of a school's transportation needs;
12 and

13 (E) The investments required to achieve a WELL
14 Certification or similar certification as determined
15 through methods developed and updated by the
16 International WELL Building Institute or similar or
17 successor organizations.

18 (4) The Public Schools Carbon-Free Assessment also
19 shall include, but not be limited to, mechanical
20 insulation evaluation inspection and inspection of the
21 building envelope(s).

22 (5) With respect to those public school construction
23 projects for public schools within the service territory
24 of a utility serving over 500,000 retail customers in this
25 State and for which a public school district applies for a
26 grant under Section 5-40 of the School Construction Law on

1 or after June 1, 2023, the district must submit a copy of
2 the applicable Public Schools Carbon-Free Assessment
3 report, or, if no such Public Schools Carbon-Free
4 Assessment has been performed, request the applicable
5 utility to perform such a Public Schools Carbon-Free
6 Assessment and submit a copy of the Public Schools
7 Carbon-Free Assessment report promptly when it becomes
8 available. The Public Schools Carbon-Free Assessment
9 report shall include, but not limited to, an energy audit
10 of both the building envelope and the building's
11 mechanical insulation system. It shall also include an
12 inspection of both the building envelope and the
13 mechanical insulation system. The district must
14 demonstrate how the construction project is designed and
15 managed to achieve the goals that all public elementary
16 and secondary school facilities in the State are able to
17 be powered by clean energy by 2030, and for such
18 facilities to achieve carbon-free energy sources for space
19 heat, water heat, and transportation by 2050.

20 (6) The results of each Public Schools Carbon-Free
21 Assessment shall be memorialized by the utility or by a
22 third party acting on behalf of the utility in a usable
23 report form and shall be provided to the applicable public
24 school. Each utility shall be required to retain a copy of
25 each Public Schools Carbon-Free Assessment report and to
26 provide confidential copies of each report to the Illinois

1 Power Agency and the Illinois Capital Development Board
2 within 3 months of its completion.

3 (7) The Public Schools Carbon-Free Assessment shall be
4 conducted in coordination with each utility's energy
5 efficiency and demand-response plans under Sections 8-103,
6 8-103A, and 8-103B of this Act, to the extent applicable.
7 Nothing in this Section is intended to modify or require
8 modification of those plans. However, the utility may
9 request a modification of a plan approved by the
10 Commission, and the Commission may approve the requested
11 modification, if the modification is consistent with the
12 provisions of this Section and Section 8-103B of this Act.

13 (8) If there are no other providers of assessments
14 that are substantively the same as those being performed
15 by utilities pursuant to this Section by 2024, a utility
16 that has a Public Schools Carbon-Free Assessment program
17 may offer assessments to public schools that are not
18 served by a utility subject to this Section at the
19 utility's cost.

20 (9) The Public Schools Carbon-Free Assessment shall be
21 offered to and performed for public schools in the
22 utility's service territory on a complimentary basis by
23 each utility, with no Assessment fee charged to the public
24 schools for the Assessments. Nothing in this Section is
25 intended to prohibit the utility from recovering through
26 rates approved by the Commission the utility's prudent and

1 reasonable costs of complying with this Section.

2 (10) Utilities shall make efforts to prioritize the
3 completion of Public Schools Carbon-Free Assessments for
4 the following school districts by December 31, 2022: East
5 St. Louis School District 189, Harvey School District 152,
6 Thornton Township High School District 205.

7 (220 ILCS 5/8-406) (from Ch. 111 2/3, par. 8-406)

8 Sec. 8-406. Certificate of public convenience and
9 necessity.

10 (a) No public utility not owning any city or village
11 franchise nor engaged in performing any public service or in
12 furnishing any product or commodity within this State as of
13 July 1, 1921 and not possessing a certificate of public
14 convenience and necessity from the Illinois Commerce
15 Commission, the State Public Utilities Commission or the
16 Public Utilities Commission, at the time this amendatory Act
17 of 1985 goes into effect, shall transact any business in this
18 State until it shall have obtained a certificate from the
19 Commission that public convenience and necessity require the
20 transaction of such business.

21 (b) No public utility shall begin the construction of any
22 new plant, equipment, property or facility which is not in
23 substitution of any existing plant, equipment, property or
24 facility or any extension or alteration thereof or in addition
25 thereto, unless and until it shall have obtained from the

1 Commission a certificate that public convenience and necessity
2 require such construction. Whenever after a hearing the
3 Commission determines that any new construction or the
4 transaction of any business by a public utility will promote
5 the public convenience and is necessary thereto, it shall have
6 the power to issue certificates of public convenience and
7 necessity. The Commission shall determine that proposed
8 construction will promote the public convenience and necessity
9 only if the utility demonstrates: (1) that the proposed
10 construction is necessary to provide adequate, reliable, and
11 efficient service to its customers and is the least-cost means
12 of satisfying the service needs of its customers or that the
13 proposed construction will promote the development of an
14 effectively competitive electricity market that operates
15 efficiently, is equitable to all customers, and is the least
16 cost means of satisfying those objectives; (2) that the
17 utility is capable of efficiently managing and supervising the
18 construction process and has taken sufficient action to ensure
19 adequate and efficient construction and supervision thereof;
20 and (3) that the utility is capable of financing the proposed
21 construction without significant adverse financial
22 consequences for the utility or its customers.

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

24 "Qualifying direct current applicant" means an entity that
25 seeks to provide direct current bulk transmission service for
26 the purpose of transporting electric energy in interstate

1 commerce.

2 "Qualifying direct current project" means a high voltage
3 direct current electric service line that crosses at least one
4 Illinois border, the Illinois portion of which is physically
5 located within the region of the Midcontinent Independent
6 System Operator, Inc., or its successor organization, and runs
7 through the counties of Pike, Scott, Greene, Macoupin,
8 Montgomery, Christian, Shelby, Cumberland, and Clark, is
9 capable of transmitting electricity at voltages of 345kv or
10 above, and may also include associated interconnected
11 alternating current interconnection facilities in this State
12 that are part of the proposed project and reasonably necessary
13 to connect the project with other portions of the grid.

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

1 public convenience and necessity and requests for authority
2 under Section 8-503 if it finds that the qualifying direct
3 current applicant and the proposed qualifying direct current
4 project satisfy the requirements of this subsection and
5 otherwise satisfy the criteria of this Section or Section
6 8-406.1 and the criteria of Section 8-503, as applicable to
7 the application and to the extent such criteria are not
8 superseded by the provisions of this subsection. The
9 Commission's order on the application for the certificate of
10 public convenience and necessity shall also include the
11 Commission's findings and determinations on the request or
12 requests for authority pursuant to Section 8-503. Prior to
13 filing its application under either this Section or Section
14 8-406.1, the qualifying direct current applicant shall conduct
15 3 public meetings in accordance with subsection (h) of this
16 Section. If the qualifying direct current applicant
17 demonstrates in its application that the proposed qualifying
18 direct current project is designed to deliver electricity to a
19 point or points on the electric transmission grid in either or
20 both the PJM Interconnection, LLC or the Midcontinent
21 Independent System Operator, Inc., or their respective
22 successor organizations, the proposed qualifying direct
23 current project shall be deemed to be, and the Commission
24 shall find it to be, for public use. If the qualifying direct
25 current applicant further demonstrates in its application that
26 the proposed transmission project has a capacity of 1,000

1 megawatts or larger and a voltage level of 345 kilovolts or
2 greater, the proposed transmission project shall be deemed to
3 satisfy, and the Commission shall find that it satisfies, the
4 criteria stated in item (1) of subsection (b) of this Section
5 or in paragraph (1) of subsection (f) of Section 8-406.1, as
6 applicable to the application, without the taking of
7 additional evidence on these criteria. Prior to the transfer
8 of functional control of any transmission assets to a regional
9 transmission organization, a qualifying direct current
10 applicant shall request Commission approval to join a regional
11 transmission organization in an application filed pursuant to
12 this subsection (b-5) or separately pursuant to Section 7-102
13 of this Act. The Commission may grant permission to a
14 qualifying direct current applicant to join a regional
15 transmission organization if it finds that the membership, and
16 associated transfer of functional control of transmission
17 assets, benefits Illinois customers in light of the attendant
18 costs and is otherwise in the public interest. Nothing in this
19 subsection (b-5) requires a qualifying direct current
20 applicant to join a regional transmission organization.
21 Nothing in this subsection (b-5) requires the owner or
22 operator of a high voltage direct current transmission line
23 that is not a qualifying direct current project to obtain a
24 certificate of public convenience and necessity to the extent
25 it is not otherwise required by this Section 8-406 or any other
26 provision of this Act.

1 (c) After the effective date of this amendatory Act of
2 1987, no construction shall commence on any new nuclear power
3 plant to be located within this State, and no certificate of
4 public convenience and necessity or other authorization shall
5 be issued therefor by the Commission, until the Director of
6 the Illinois Environmental Protection Agency finds that the
7 United States Government, through its authorized agency, has
8 identified and approved a demonstrable technology or means for
9 the disposal of high level nuclear waste, or until such
10 construction has been specifically approved by a statute
11 enacted by the General Assembly.

12 As used in this Section, "high level nuclear waste" means
13 those aqueous wastes resulting from the operation of the first
14 cycle of the solvent extraction system or equivalent and the
15 concentrated wastes of the subsequent extraction cycles or
16 equivalent in a facility for reprocessing irradiated reactor
17 fuel and shall include spent fuel assemblies prior to fuel
18 reprocessing.

19 (d) In making its determination, the Commission shall
20 attach primary weight to the cost or cost savings to the
21 customers of the utility. The Commission may consider any or
22 all factors which will or may affect such cost or cost savings,
23 including the public utility's engineering judgment regarding
24 the materials used for construction.

25 (e) The Commission may issue a temporary certificate which
26 shall remain in force not to exceed one year in cases of

1 emergency, to assure maintenance of adequate service or to
2 serve particular customers, without notice or hearing, pending
3 the determination of an application for a certificate, and may
4 by regulation exempt from the requirements of this Section
5 temporary acts or operations for which the issuance of a
6 certificate will not be required in the public interest.

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

17 No electric cooperative shall be made or shall become a
18 party to or shall be entitled to be heard or to otherwise
19 appear or participate in any proceeding initiated under this
20 Section for authorization of power plant construction and as
21 to matters as to which a remedy is available under The Electric
22 Supplier Act.

23 (f) Such certificates may be altered or modified by the
24 Commission, upon its own motion or upon application by the
25 person or corporation affected. Unless exercised within a
26 period of 2 years from the grant thereof authority conferred

1 by a certificate of convenience and necessity issued by the
2 Commission shall be null and void.

3 No certificate of public convenience and necessity shall
4 be construed as granting a monopoly or an exclusive privilege,
5 immunity or franchise.

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

16 (1) replace or upgrade any existing high voltage
17 electric service line and related facilities,
18 notwithstanding its length;

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

23 (3) construct a high voltage electric service line and
24 related facilities that is constructed solely to serve a
25 single customer's premises or to provide a generator
26 interconnection to the public utility's transmission

1 system and that will pass under or over the premises owned
2 by the customer or generator to be served or under or over
3 premises for which the customer or generator has secured
4 the necessary right of way.

5 (h) A public utility seeking to construct a high-voltage
6 electric service line and related facilities (Project) must
7 show that the utility has held a minimum of 2 pre-filing public
8 meetings to receive public comment concerning the Project in
9 each county where the Project is to be located, no earlier than
10 6 months prior to filing an application for a certificate of
11 public convenience and necessity from the Commission. Notice
12 of the public meeting shall be published in a newspaper of
13 general circulation within the affected county once a week for
14 3 consecutive weeks, beginning no earlier than one month prior
15 to the first public meeting. If the Project traverses 2
16 contiguous counties and where in one county the transmission
17 line mileage and number of landowners over whose property the
18 proposed route traverses is one-fifth or less of the
19 transmission line mileage and number of such landowners of the
20 other county, then the utility may combine the 2 pre-filing
21 meetings in the county with the greater transmission line
22 mileage and affected landowners. All other requirements
23 regarding pre-filing meetings shall apply in both counties.
24 Notice of the public meeting, including a description of the
25 Project, must be provided in writing to the clerk of each
26 county where the Project is to be located. A representative of

1 the Commission shall be invited to each pre-filing public
2 meeting.

3 (i) For applications filed after the effective date of
4 this amendatory Act of the 99th General Assembly, the
5 Commission shall by registered mail notify each owner of
6 record of land, as identified in the records of the relevant
7 county tax assessor, included in the right-of-way over which
8 the utility seeks in its application to construct a
9 high-voltage electric line of the time and place scheduled for
10 the initial hearing on the public utility's application. The
11 utility shall reimburse the Commission for the cost of the
12 postage and supplies incurred for mailing the notice.

13 (Source: P.A. 99-399, eff. 8-18-15.)

14 (220 ILCS 5/8-512 new)

15 Sec. 8-512. Renewable energy access plan.

16 (a) It is the policy of this State to promote
17 cost-effective transmission system development that ensures
18 reliability of the electric transmission system, lowers carbon
19 emissions, minimizes long-term costs for consumers, and
20 supports the electric policy goals of this State. The General
21 Assembly finds that:

22 (1) Transmission planning, primarily for reliability
23 purposes, but also for economic and public policy reasons
24 is conducted by regional transmission organizations in
25 which transmission-owning Illinois utilities and other

1 stakeholders are members.

2 (2) Order No. 1000 of the Federal Energy Regulatory
3 Commission requires regional transmission organizations to
4 plan for transmission system needs in light of State
5 public policies and to accept input from states during the
6 transmission system planning processes.

7 (3) The State of Illinois does not currently have a
8 comprehensive power and environmental policy planning
9 process to identify transmission infrastructure needs that
10 can serve as a vital input into the regional and
11 interregional transmission organization planning
12 processes conducted under Order No. 1000 and other laws
13 and regulations.

14 (4) This State is an electricity generation and power
15 transmission hub, and can leverage that position to invest
16 in infrastructure that enables new and existing Illinois
17 generators to meet the public policy goals of the State of
18 Illinois and of interconnected states while
19 cost-effectively supporting tens of thousands of jobs in
20 the renewable energy sector in this State.

21 (5) The nation has a need to readily access this
22 State's low-cost, clean electric power, and this State
23 also desires access to clean energy resources in other
24 states to develop and support its low-carbon economy and
25 keep electricity prices low in Illinois and interconnected
26 States.

1 (6) Existing transmission infrastructure may constrain
2 the State's achievement of 100% renewable energy by 2050,
3 the accelerated adoption of electric vehicles in a just
4 and equitable way, and electrification of additional
5 sectors of the Illinois economy.

6 (7) Transmission system congestion within this State
7 and the regional transmission organizations serving this
8 State limits the ability of this State's existing and new
9 electric generation facilities that do not emit carbon
10 dioxide, including renewable energy resources and zero
11 emission facilities, to serve the public policy goals of
12 this State and other states, which constrains investment
13 in this State.

14 (8) Investment in infrastructure to support existing
15 and new electric generation facilities that do not emit
16 carbon dioxide, including renewable energy resources and
17 zero emission facilities, stimulates significant economic
18 development and job growth in this State, as well as
19 creates environmental and public health benefits in this
20 State.

21 (9) Creating a forward-looking plan for this State's
22 electric transmission infrastructure, as opposed to
23 relying on case-by-case development and repeated marginal
24 upgrades, will achieve a lower-cost system for Illinois'
25 electricity customers. A forward-looking plan can also
26 help integrate and achieve a comprehensive set of

1 objectives and multiple state, regional, and national
2 policy goals.

3 (10) Alternatives to overhead electric transmission
4 lines can achieve cost-effective resolution of system
5 impacts and warrant investigation of the circumstances
6 under which those alternatives should be considered and
7 approved. The alternatives are likely to be beneficial as
8 investment in electric transmission infrastructure moves
9 forward.

10 (11) Because transmission planning is conducted
11 primarily by the regional transmission organizations, the
12 Commission should be advocating for the State's interests
13 at the regional transmission organizations to ensure that
14 such planning facilitates the State's policies and goals,
15 including overall consumer savings, power system
16 reliability, economic development, environmental
17 improvement, and carbon reduction.

18 (b) Consistent with the findings identified in subsection
19 (a), the Commission shall open an investigation to develop and
20 adopt a renewable energy access plan no later than December
21 31, 2022. To assist and support the Commission in the
22 development of the plan, the Commission shall retain the
23 services of technical and policy experts with relevant fields
24 of expertise, solicit technical and policy analysis from the
25 public, and provide for a 120-day open public comment period
26 after publication of a draft report, which shall be published

1 no later than 90 days after the comment period ends. The plan
2 shall, at a minimum, do the following:

3 (1) designate renewable energy access plan zones
4 throughout this State in areas in which renewable energy
5 resources and suitable land areas are sufficient for
6 developing generating capacity from renewable energy
7 technologies;

8 (2) develop a plan to achieve transmission capacity
9 necessary to deliver the electric output from renewable
10 energy technologies in the renewable energy access plan
11 zones to customers in Illinois and other states in a
12 manner that is most beneficial and cost-effective to
13 customers;

14 (3) use this State's position as an electricity
15 generation and power transmission hub to create new
16 investment in this State's renewable energy resources;

17 (4) consider programs, policies, and electric
18 transmission projects that can be adopted within this
19 State that promote the cost-effective delivery of power
20 from renewable energy resources interconnected to the bulk
21 electric system to meet the renewable portfolio standard
22 targets under subsection (c) of Section 1-75 of the
23 Illinois Power Agency Act;

24 (5) consider proposals to improve regional
25 transmission organizations' regional and interregional
26 system planning processes, especially proposals that

1 reduce costs and emissions, create jobs, and increase
2 State and regional power system reliability to prevent
3 high-cost outages that can endanger lives, and analyze of
4 how those proposals would improve reliability and
5 cost-effective delivery of electricity in Illinois and the
6 region;

7 (6) make findings and policy recommendations based on
8 technical and policy analysis regarding locations of
9 renewable energy access plan zones and the transmission
10 system developments needed to cost-effectively achieve the
11 public policy goals identified herein; and

12 (7) present the Commission's conclusions and proposed
13 recommendations based on its analysis and use the findings
14 and policy recommendations to determine actions that the
15 Commission should take.

16 (c) No later than December 31, 2025, and every other year
17 thereafter, the Commission shall open an investigation to
18 develop and adopt an updated renewable energy access plan
19 that, at a minimum, evaluates the implementation and
20 effectiveness of the renewable energy access plan, recommends
21 improvements to the renewable energy access plan, and provides
22 changes to transmission capacity necessary to deliver electric
23 output from the renewable energy access plan zones.

24 (220 ILCS 5/9-228 new)

25 Sec. 9-228. Limits on public utility expenses. The

1 Commission shall not consider any of the following as an
2 expense of any public utility company, including any
3 allocation of those costs to the public utility from an
4 affiliate or corporate parent, for the purpose of determining
5 any rate or charge, any amount expended for:

6 (1) the pension or other post-employment benefits for
7 an employee convicted of committing a criminal act in the
8 course of his or her work with the utility;

9 (2) any severance or post-employment costs for an
10 employee convicted of committing a criminal act in the
11 course of his or her work with the utility; or

12 (3) criminal penalties, fines, fees, and costs related
13 to criminal charges, criminal investigations, or deferred
14 prosecution agreements.

15 (220 ILCS 5/9-229)

16 Sec. 9-229. Consideration of attorney and expert
17 compensation as an expense and intervenor compensation fund.

18 (a) The Commission shall specifically assess the justness
19 and reasonableness of any amount expended by a public utility
20 to compensate attorneys or technical experts to prepare and
21 litigate a general rate case filing. This issue shall be
22 expressly addressed in the Commission's final order.

23 (b) The State of Illinois shall create a Consumer
24 Intervenor Compensation Fund subject to the following:

25 (1) Provision of compensation for Consumer Interest

1 Representatives that intervene in Illinois Commerce
2 Commission proceedings will increase public engagement,
3 encourage additional transparency, expand the information
4 available to the Commission, and improve decision-making.

5 (2) As used in this Section, "Consumer interest
6 representative" means:

7 (A) a residential utility customer or group of
8 residential utility customers represented by a
9 not-for-profit group or organization registered with
10 the Illinois Attorney General under the Solicitation
11 of Charity Act;

12 (B) representatives of not-for-profit groups or
13 organizations whose membership is limited to
14 residential utility customers; or

15 (C) representatives of not-for-profit groups or
16 organizations whose membership includes Illinois
17 residents and that address the community, economic,
18 environmental, or social welfare of Illinois
19 residents, except government agencies or intervenors
20 specifically authorized by Illinois law to participate
21 in Commission proceedings on behalf of Illinois
22 consumers.

23 (3) A consumer interest representative is eligible to
24 receive compensation from the consumer intervenor
25 compensation fund if its participation included lay or
26 expert testimony or legal briefing and argument concerning

1 the expenses, investments, rate design, rate impact, or
2 other matters affecting the pricing, rates, costs or other
3 charges associated with utility service, the Commission
4 adopts a material recommendation related to a significant
5 issue in the docket, and participation caused a
6 significant financial hardship to the participant;
7 however, no consumer interest representative shall be
8 eligible to receive an award pursuant to this Section if
9 the consumer interest representative receives any
10 compensation, funding, or donations, directly or
11 indirectly, from parties that have a financial interest in
12 the outcome of the proceeding.

13 (4) Within 30 days after the effective date of this
14 amendatory Act of the 102nd General Assembly, each utility
15 that files a request for an increase in rates under
16 Article IX or Article XVI shall deposit an amount equal to
17 one half of the rate case attorney and expert expense
18 allowed by the Commission, but not to exceed \$500,000,
19 into the fund within 35 days of the date of the
20 Commission's final Order in the rate case or 20 days after
21 the denial of rehearing under Section 10-113 of this Act,
22 whichever is later. The Consumer Intervenor Compensation
23 Fund shall be used to provide payment to consumer interest
24 representatives as described in this Section.

25 (5) An electric public utility with 3,000,000 or more
26 retail customers shall contribute \$450,000 to the Consumer

1 Intervenor Compensation Fund within 60 days after the
2 effective date of this amendatory Act of the 102nd General
3 Assembly. A combined electric and gas public utility
4 serving fewer than 3,000,000 but more than 500,000 retail
5 customers shall contribute \$225,000 to the Consumer
6 Intervenor Compensation Fund within 60 days after the
7 effective date of this amendatory Act of the 102nd General
8 Assembly. A gas public utility with 1,500,000 or more
9 retail customers that is not a combined electric and gas
10 public utility shall contribute \$225,000 to the Consumer
11 Intervenor Compensation Fund within 60 days after the
12 effective date of this amendatory Act of the 102nd General
13 Assembly. A gas public utility with fewer than 1,500,000
14 retail customers but more than 300,000 retail customers
15 that is not a combined electric and gas public utility
16 shall contribute \$80,000 to the Consumer Intervenor
17 Compensation Fund within 60 days after the effective date
18 of this amendatory Act of the 102nd General Assembly. A
19 gas public utility with fewer than 300,000 retail
20 customers that is not a combined electric and gas public
21 utility shall contribute \$20,000 to the Consumer
22 Intervenor Compensation Fund within 60 days after the
23 effective date of this amendatory Act of the 102nd General
24 Assembly. A combined electric and gas public utility
25 serving fewer than 500,000 retail customers shall
26 contribute \$20,000 to the Consumer Intervenor Compensation

1 Fund within 60 days after the effective date of this
2 amendatory Act of the 102nd General Assembly. A water or
3 sewer public utility serving more than 100,000 retail
4 customers shall contribute \$80,000, and a water or sewer
5 public utility serving fewer than 100,000 but more than
6 10,000 retail customers shall contribute \$20,000.

7 (6) (A) Prior to the entry of a Final Order in a
8 docketed case, the Commission Administrator shall provide
9 a payment to a consumer interest representative that
10 demonstrates through a verified application for funding
11 that the consumer interest representative's participation
12 or intervention without an award of fees or costs imposes
13 a significant financial hardship based on a schedule to be
14 developed by the Commission. The Administrator may require
15 verification of costs incurred, including statements of
16 hours spent, as a condition to paying the consumer
17 interest representative prior to the entry of a Final
18 Order in a docketed case.

19 (B) If the Commission adopts a material recommendation
20 related to a significant issue in the docket and
21 participation caused a financial hardship to the
22 participant, then the consumer interest representative
23 shall be allowed payment for some or all of the consumer
24 interest representative's reasonable attorney's or
25 advocate's fees, reasonable expert witness fees, and other
26 reasonable costs of preparation for and participation in a

1 hearing or proceeding. Expenses related to travel or meals
2 shall not be compensable.

3 (C) The consumer interest representative shall submit
4 an itemized request for compensation to the Consumer
5 Intervenor Compensation Fund, including the advocate's or
6 attorney's reasonable fee rate, the number of hours
7 expended, reasonable expert and expert witness fees, and
8 other reasonable costs for the preparation for and
9 participation in the hearing and briefing within 30 days
10 of the Commission's final order after denial or decision
11 on rehearing, if any.

12 (7) Administration of the Fund.

13 (A) The Consumer Intervenor Compensation Fund is
14 created as a special fund in the State treasury. All
15 disbursements from the Consumer Intervenor Compensation
16 Fund shall be made only upon warrants of the Comptroller
17 drawn upon the Treasurer as custodian of the Fund upon
18 vouchers signed by the Executive Director of the
19 Commission or by the person or persons designated by the
20 Director for that purpose. The Comptroller is authorized
21 to draw the warrant upon vouchers so signed. The Treasurer
22 shall accept all warrants so signed and shall be released
23 from liability for all payments made on those warrants.
24 The Consumer Intervenor Compensation Fund shall be
25 administered by an Administrator that is a person or
26 entity that is independent of the Commission. The

1 administrator will be responsible for the prudent
2 management of the Consumer Intervenor Compensation Fund
3 and for recommendations for the award of consumer
4 intervenor compensation from the Consumer Intervenor
5 Compensation Fund. The Commission shall issue a request
6 for qualifications for a third-party program administrator
7 to administer the Consumer Intervenor Compensation Fund.
8 The third-party administrator shall be chosen through a
9 competitive bid process based on selection criteria and
10 requirements developed by the Commission. The Illinois
11 Procurement Code does not apply to the hiring or payment
12 of the Administrator. All Administrator costs may be paid
13 for using monies from the Consumer Intervenor Compensation
14 Fund, but the Program Administrator shall strive to
15 minimize costs in the implementation of the program.

16 (B) The computation of compensation awarded from the
17 fund shall take into consideration the market rates paid
18 to persons of comparable training and experience who offer
19 similar services, but may not exceed the comparable market
20 rate for services paid by the public utility as part of its
21 rate case expense.

22 (C) (1) Recommendations on the award of compensation by
23 the administrator shall include consideration of whether
24 the Commission adopted a material recommendation related
25 to a significant issue in the docket and whether
26 participation caused a financial hardship to the

1 participant and the payment of compensation is fair, just
2 and reasonable.

3 (2) Recommendations on the award of compensation by
4 the administrator shall be submitted to the Commission for
5 approval. Unless the Commission initiates an investigation
6 within 45 days after the notice to the Commission, the
7 award of compensation shall be allowed 45 days after
8 notice to the Commission. Such notice shall be given by
9 filing with the Commission on the Commission's e-docket
10 system, and keeping open for public inspection the award
11 for compensation proposed by the Administrator. The
12 Commission shall have power, and it is hereby given
13 authority, either upon complaint or upon its own
14 initiative without complaint, at once, and if it so
15 orders, without answer or other formal pleadings, but upon
16 reasonable notice, to enter upon a hearing concerning the
17 propriety of the award.

18 (c) The Commission may adopt rules to implement this
19 Section.

20 (Source: P.A. 96-33, eff. 7-10-09.)

21 (220 ILCS 5/9-241) (from Ch. 111 2/3, par. 9-241)

22 Sec. 9-241. No public utility shall, as to rates or other
23 charges, services, facilities or in other respect, make or
24 grant any preference or advantage to any corporation or person
25 or subject any corporation or person to any prejudice or

1 disadvantage. No public utility shall establish or maintain
2 any unreasonable difference as to rates or other charges,
3 services, facilities, or in any other respect, either as
4 between localities or as between classes of service.

5 However, nothing in this Section shall be construed as
6 limiting the authority of the Commission to permit the
7 establishment of economic development rates as incentives to
8 economic development either in enterprise zones as designated
9 by the State of Illinois or in other areas of a utility's
10 service area. Such rates should be available to existing
11 businesses which demonstrate an increase to existing load as
12 well as new businesses which create new load for a utility so
13 as to create a more balanced utilization of generating
14 capacity. The Commission shall ensure that such rates are
15 established at a level which provides a net benefit to
16 customers within a public utility's service area.

17 On or before January 1, 2023, the Commission shall conduct
18 a comprehensive study to assess whether low-income discount
19 rates for electric and natural gas residential customers are
20 appropriate and the potential design and implementation of any
21 such rates. The Commission shall include its findings,
22 together with the appropriate recommendations, in a report to
23 be provided to the General Assembly. Upon completion of the
24 study, the Commission shall have the authority to permit or
25 require electric and natural gas utilities to file a tariff
26 establishing low-income discount rates.

1 Such study shall assess, at a minimum, the following:

2 (1) customer eligibility requirements, including
3 income-based eligibility and eligibility based on
4 participation in or eligibility for certain public
5 assistance programs;

6 (2) appropriate rate structures, including
7 consideration of tiered discounts for different income
8 levels;

9 (3) appropriate recovery mechanisms, including the
10 consideration of volumetric charges and customer charges;

11 (4) appropriate verification mechanisms;

12 (5) measures to ensure customer confidentiality and
13 data safeguards;

14 (6) outreach and consumer education procedures; and

15 (7) the impact that a low-income discount rate would
16 have on the affordability of delivery service to
17 low-income customers and customers overall.

18 The Commission shall adopt rules requiring utility
19 companies to produce information, in the form of a mailing,
20 and other approved methods of distribution, to its consumers,
21 to inform the consumers of available rebates, discounts,
22 credits, and other cost-saving mechanisms that can help them
23 lower their monthly utility bills, and send out such
24 information semi-annually, unless otherwise provided by this
25 Article.

26 Prior to October 1, 1989, no public utility providing

1 electrical or gas service shall consider the use of solar or
2 other nonconventional renewable sources of energy by a
3 customer as a basis for establishing higher rates or charges
4 for any service or commodity sold to such customer; nor shall a
5 public utility subject any customer utilizing such energy
6 source or sources to any other prejudice or disadvantage on
7 account of such use. No public utility shall without the
8 consent of the Commission, charge or receive any greater
9 compensation in the aggregate for a lesser commodity, product,
10 or service than for a greater commodity, product or service of
11 like character.

12 The Commission, in order to expedite the determination of
13 rate questions, or to avoid unnecessary and unreasonable
14 expense, or to avoid unjust or unreasonable discrimination
15 between classes of customers, or, whenever in the judgment of
16 the Commission public interest so requires, may, for rate
17 making and accounting purposes, or either of them, consider
18 one or more municipalities either with or without the adjacent
19 or intervening rural territory as a regional unit where the
20 same public utility serves such region under substantially
21 similar conditions, and may within such region prescribe
22 uniform rates for consumers or patrons of the same class.

23 Any public utility, with the consent and approval of the
24 Commission, may as a basis for the determination of the
25 charges made by it classify its service according to the
26 amount used, the time when used, the purpose for which used,

1 and other relevant factors.

2 (Source: P.A. 91-357, eff. 7-29-99.)

3 (220 ILCS 5/16-105.5 new)

4 Sec. 16-105.5. Rate case filing and revenue-neutral rate
5 design.

6 (a) An electric utility that files a general rate case
7 pursuant to Section 9-201 of this Act or a Multi-Year Rate Plan
8 pursuant to Section 16-108.18 of this Act may omit the rate
9 design component of such filing and subsequently separately
10 file this component with the Commission, subject to the
11 requirements of subsections (b) and (c) of this Section.

12 (b) If the electric utility makes the election described
13 in this Section, then the filing shall be consistent with the
14 rate design and cost allocation across customer classes
15 approved in the Commission's most recent order regarding the
16 electric utility's request for a general adjustment to its
17 rates entered under Section 9-201, subsection (e) of Section
18 16-108.5, or Section 16-108.18 of this Act, as applicable.

19 (c) If the electric utility makes the election described
20 in this Section, then the following provisions apply to the
21 separate filing of the revenue-neutral rate design component:

22 (1) No later than one year after the tariffs
23 implementing the general rate case filing or Multi-year
24 Rate Plan filing, as described in subsection (b) of this
25 Section, are placed into effect, the electric utility

1 shall make a filing with the Commission that proposes
2 changes to the tariffs to incorporate the findings of any
3 final rate design orders of the Commission applicable to
4 the electric utility and entered subsequent to the
5 Commission's approval of the tariffs. If no such orders
6 have been entered, then the electric utility must submit
7 its separate revenue-neutral rate design filing no later
8 than 3 years after the date on which the Commission's most
9 recent final rate design order was entered for the
10 electric utility. The electric utility's separate
11 revenue-neutral rate design filing may either propose
12 revenue-neutral tariff changes or refile the existing
13 tariffs without change, which shall present the Commission
14 with an opportunity to suspend the tariffs and consider
15 revenue-neutral tariff changes related to rate design. The
16 Commission shall, after notice and hearing, enter its
17 order approving, or approving with modification, the
18 proposed changes to the tariffs within 240 days after the
19 electric utility's filing. Any changes ordered by the
20 Commission shall become effective at the commencement of
21 the first January monthly billing period that begins no
22 earlier than 30 days after the Commission issues its order
23 adopting such changes.

24 (2) Following Commission approval under paragraph (1)
25 of this subsection (c), the electric utility shall make a
26 filing with the Commission during each subsequent 3-year

1 period that either proposes revenue-neutral tariff changes
2 or refiles the existing tariffs without change, which
3 shall present the Commission with an opportunity to
4 suspend the tariffs and consider revenue-neutral tariff
5 changes related to rate design. The requirements of this
6 paragraph (2) shall terminate at the time that the
7 electric utility files a general rate case or Multi-Year
8 Rate Plan that includes the rate design component.

9 (220 ILCS 5/16-105.6 new)

10 Sec. 16-105.6. Amortization of charges or credits.

11 (a) It is in the public interest to mitigate the customer
12 bill impacts of large expenses incurred by electric utilities
13 by directing that expenses exceeding the applicable threshold
14 specified in this Section be amortized over the prescribed
15 period. Such amortization will levelize customer bill impacts
16 and, in many instances, better align the period of cost
17 recovery with the period over which customers receive the
18 benefit of the expenditure. Accordingly, an electric utility
19 that files a general rate increase under Section 9-201 of this
20 Act or a Multi-Year Rate Plan under Section 16-108.18 of this
21 Act shall amortize, over a 5-year period, each charge or
22 credit that exceeds the applicable amount identified in
23 subsection (b) of this Section and that relates to (1) a
24 workforce reduction program's severance costs; (2) changes in
25 accounting rules; (3) changes in law; (4) compliance with any

1 Commission-initiated audit; and (5) a single storm or weather
2 system, or other similar expense.

3 Any unamortized balance shall be reflected in rate base.

4 In this Section, "changes in law" includes any enactment,
5 repeal, or amendment in a law, ordinance, rule, regulation,
6 interpretation, permit, license, consent, or order, including
7 those relating to taxes, accounting, or environmental matters,
8 or in the interpretation or application thereof by any
9 governmental authority occurring after the effective date of
10 this amendatory Act of the 102nd General Assembly.

11 Nothing in this Section is intended to prohibit the
12 Commission from reviewing the prudence and reasonableness of
13 the costs amortized pursuant to this Section.

14 (b) An electric utility that serves more than 3,000,000
15 customers in the State shall amortize the full amount of each
16 charge or credit described in subsection (a) of this Section
17 that exceeds \$10,000,000 in the applicable calendar year, and
18 an electric utility that serves less than 3,000,000 customers
19 in the State shall amortize the full amount of each such charge
20 or credit that exceeds \$3,700,000 in the applicable calendar
21 year.

22 (220 ILCS 5/16-105.7 new)

23 Sec. 16-105.7. Revenue balancing adjustments.

24 (a) It is in the public interest to decouple electric
25 utility sales and revenues, to mitigate the impact on

1 utilities of energy savings goals, to mitigate a utility's
2 disincentive to promote energy efficiency, and to recognize
3 changes in sales attributable to weather, electric vehicles
4 and other electrification, adoption of distributed energy
5 resources, and other volatile or uncontrollable factors
6 without adversely affecting utility customers.

7 (b) For the purposes of this Section, "reconciliation
8 period" means a period beginning with the January monthly
9 billing period and extending through the December monthly
10 billing period of the same calendar year.

11 (c) As set forth in subsection (d) of this Section, the
12 Commission shall approve a tariff by which distribution
13 revenues shall be compared annually to the revenue requirement
14 or requirements approved by the Commission on which the rates
15 giving rise to those revenues were based to prevent
16 undercollections or overcollections. An electric utility shall
17 submit an annual revenue balancing reconciliation report to
18 the Commission reflecting the difference between the actual
19 delivery service revenue and multi-year rate case revenue
20 requirement for the applicable reconciliation and identifying
21 the charges or credits to be applied thereafter. Such
22 reconciliation and calculation of associated charges or
23 credits shall be conducted on a customer class basis. The
24 annual revenue balancing reconciliation report shall be filed
25 with the Commission no later than March 20 of the year
26 following a reconciliation period. The Commission may initiate

1 a review of the revenue balancing reconciliation report each
2 year to determine if any subsequent adjustment is necessary to
3 align actual delivery service revenue and rate case revenue
4 requirement. If the Commission elects to initiate such review,
5 the Commission shall, after notice and hearing, enter an order
6 approving, or approving as modified, such revenue balancing
7 reconciliation report no later than 120 days after the utility
8 files its report with the Commission. If the Commission does
9 not initiate such a review, the revenue balancing
10 reconciliation report and the identified charges or credits
11 shall be deemed accepted and approved 120 days after the
12 utility files the report and shall not be subject to review in
13 any other proceeding. Any balancing adjustment shall take
14 effect during the following January monthly billing period.

15 (d) Each electric utility shall file a tariff in
16 compliance with the provisions of this Section within 120 days
17 after the effective date of this amendatory Act of the 102nd
18 General Assembly. The Commission shall approve the tariff if
19 it finds that it is consistent with the provisions of the
20 Section. If the Commission does not so find, it shall approve
21 the tariff with modification to conform it to the requirements
22 of this Section or otherwise reject the tariff and explain how
23 the utility can modify the tariff and refile to comply with the
24 requirements of this Section.

1 Sec. 16-105.10. Independent baseline assessment.

2 (a) Prior to the filing of the initial Multi-Year
3 Integrated Grid Plan described in Section 16-105.17 of this
4 Act, the General Assembly finds that an independent audit of
5 the current state of the grid, and of the expenditures made
6 since 2012, will need to be made.

7 Specifically, the General Assembly finds:

8 (1) Pursuant to the Energy Infrastructure
9 Modernization Act and subsequent clarifying legislation,
10 electric utilities in this State that serve over 300,000
11 retail customers have made substantial investments in the
12 grid and advanced metering infrastructure.

13 (2) Before a Multi-Year Integrated Grid Plan is filed
14 under Section 16-105.17, it is necessary to understand the
15 benefits of these investments to the grid and to customers
16 and to evaluate the current condition of the distribution
17 grid.

18 (3) It is also necessary for electric utilities, the
19 Commission, and stakeholders to have an independently
20 verified set of data to establish the baseline for future
21 distribution grid spending.

22 (4) The Commission has authority to order and
23 implement the requirements of this Section under Section
24 8-102 of this Act.

25 (b) Terms used in this Section have the meanings given to
26 those terms in Sections 16-102, 16-107.6, and 16-108 of this

1 Act.

2 (c) Within 30 days after the effective date of this
3 amendatory Act of the 102nd General Assembly, the Commission
4 shall issue an order initiating an audit of each electric
5 utility serving over 300,000 retail customers in the State,
6 which shall examine the following:

7 (1) An assessment of the distribution grid, as
8 described in paragraph (2) of subsection (a) of this
9 Section. The Commission shall have the authority to
10 require additional items which it deems necessary.

11 (2) An analysis of the utility's capital projects
12 placed into service in the preceding 9 years, including,
13 but not limited to, assessing the value of deploying
14 advanced metering infrastructure to modernize and optimize
15 the grid and deliver value to customers.

16 (3) An analysis of the utility's initiatives to
17 optimize the reliability and resiliency of the grid, other
18 than through capital spending.

19 (4) Creation of a data baseline to inform the
20 beginning of the multi-year integrated grid planning
21 process described in Section 16-105.17 of this Act.

22 (5) Identification of any deficiencies in data which
23 may impact the planning process.

24 (d) It is contemplated that the auditor will utilize
25 materials filed with the Commission by the utilities with
26 respect to their expenditures in the preceding 9 years;

1 however, the auditor may also, with Commission approval,
2 assess other information deemed necessary to make its report.

3 (e) The results of the audit described in this Section
4 shall be reflected in a report delivered to the Commission,
5 describing the information specified in this Section. Such
6 report is to be delivered no later than 180 days after the
7 Commission enters its order pursuant to subsection (c) of this
8 Section. It is understood that any public report may not
9 contain items that are confidential or proprietary.

10 (f) The costs of an electric utility's audit described in
11 this Section shall not exceed \$500,000 and shall be paid for by
12 the electric utility that is the subject of the audit. Such
13 costs shall be a recoverable expense.

14 (g) The Commission shall have the authority to retain the
15 services of an auditor to assist with the distribution
16 planning process, as well as in docketed proceedings. Such
17 expenses for these activities shall also be borne by the
18 Commission.

19 (220 ILCS 5/16-105.17 new)

20 Sec. 16-105.17. Multi-Year Integrated Grid Plan.

21 (a) The General Assembly finds that ensuring alignment of
22 regulated utility operations, expenditures, and investments
23 with public benefit goals, including safety, reliability,
24 resiliency, affordability, equity, emissions reductions, and
25 expansion of clean distributed energy resources, is critical

1 to maximizing the benefits of the interconnected utility grid
2 and cost-effective utility expenditures on the grid. It is the
3 policy of the State to promote inclusive, comprehensive,
4 transparent, cost-effective distribution system planning and
5 disclosures processes that minimize long-term costs for
6 Illinois customers and support the achievement of State
7 renewable energy development and other clean energy, public
8 health, and environmental policy goals. Utility distribution
9 system expenditures, programs, investments, and policies must
10 be evaluated in coordination with these goals. In particular,
11 the General Assembly finds that:

12 (1) Investment in infrastructure to support and enable
13 existing and new distributed energy resources creates
14 significant economic development, environmental, and
15 public health benefits in the State.

16 (2) Illinois' electricity distribution system must
17 cost-effectively integrate renewable energy resources,
18 including utility-scale renewable energy resources,
19 community renewable generation, and distributed renewable
20 energy resources, support beneficial electrification,
21 including electric vehicle use and adoption, promote
22 opportunities for third-party investment in
23 nontraditional, grid-related technologies and resources
24 such as batteries, solar photovoltaic panels, and smart
25 thermostats, reduce energy usage generally and especially
26 during times of greatest reliance on fossil fuels, and

1 enhance customer engagement opportunities.

2 (3) Inclusive distribution system planning is an
3 essential tool for the Commission, public utilities, and
4 stakeholders to effectively coordinate environmental,
5 consumer, reliability, and equity goals at fair and
6 reasonable costs, and for ensuring transparent utility
7 accountability for meeting those goals.

8 (4) Any planning process should advance Illinois
9 energy policy goals while ensuring utility investments are
10 cost-effective. Such a process should maximize the sharing
11 of information, minimize overlap with existing filing
12 requirements to ensure robust stakeholder participation,
13 and recognize the responsibility of the utility to manage
14 the grid in a safe, reliable manner.

15 (5) The General Assembly is concerned that, in the
16 absence of a transparent, meaningful distribution system
17 planning process, utility investments may not always serve
18 customers' best interests, appropriately promote the
19 expansion of clean distributed energy resources, and
20 advance equity and environmental justice.

21 (6) The General Assembly is also encouraged by the
22 opportunities presented by nontraditional solutions to
23 utility, customer, and grid needs that may be more
24 efficient and cost-effective, and less environmentally
25 harmful than traditional solutions. Nontraditional
26 solutions include distributed energy resources owned or

1 implemented by customers and independent third parties,
2 controllable load, beneficial electrification, or rate
3 design that encourages efficient energy use.

4 (7) The General Assembly finds that Illinois
5 utilities' current processes for planning their
6 distribution system should be made more accessible and
7 transparent to individuals and communities, and that more
8 inclusive and accessible distribution system planning
9 processes would be in the interests of all Illinois
10 residents.

11 (8) The General Assembly finds it would be beneficial
12 to require utilities to demonstrate how their spending
13 promotes identified State clean energy goals, such as
14 integrating renewable energy, empowering customers to make
15 informed choices, supporting electric vehicles, beneficial
16 electrification, and energy storage, achieving equity
17 goals, enhancing resilience, and maintaining reliability.

18 The General Assembly therefore directs the utilities to
19 implement distribution system planning as described in this
20 Section in order to accelerate progress on Illinois clean
21 energy and environmental goals and hold electric utilities
22 publicly accountable for their performance.

23 (b) Unless otherwise specified, the terms used in this
24 Section shall have the same meanings as defined in Sections
25 16-102 and 16-107.6. As used in this Section:

26 "Demand response" means measures that decrease peak

1 electricity demand or shift demand from peak to off-peak
2 periods.

3 "Distributed energy resources" or "DER" means a wide range
4 of technologies that are connected to the grid, including
5 those that are located on the customer side of the customer's
6 electric meter and can provide value to the distribution
7 system, including, but not limited to, distributed generation,
8 energy storage, electric vehicles, and demand response
9 technologies.

10 "Environmental justice communities" means the definition
11 of that term based on existing methodologies and findings,
12 used and as may be updated by the Illinois Power Agency and its
13 Program Administrator in the Illinois Solar for All Program.

14 (c) This Section applies to electric utilities serving
15 more than 500,000 retail customers in the State.

16 (d) The Multi-Year Integrated Grid Plan ("the Plan") shall
17 be designed to:

18 (1) ensure coordination of the State's renewable
19 energy goals, climate and environmental goals with the
20 utility's distribution system investments, and programs
21 and policies over a 5-year planning horizon to maximize
22 the benefits of each while ensuring utility expenditures
23 are cost-effective;

24 (2) optimize utilization of electricity grid assets
25 and resources to minimize total system costs;

26 (3) support efforts to bring the benefits of grid

1 modernization and clean energy, including, but not limited
2 to, deployment of distributed energy resources, to all
3 retail customers, and support efforts to bring at least
4 40% of the benefits of those benefits to Equity Investment
5 Eligible Communities. Nothing in this paragraph is meant
6 to require a specific amount of spending in a particular
7 geographic area;

8 (4) enable greater customer engagement, empowerment,
9 and options for energy services;

10 (5) reduce grid congestion, minimize the time and
11 expense associated with interconnection, and increase the
12 capacity of the distribution grid to host increasing
13 levels of distributed energy resources, to facilitate
14 availability and development of distributed energy
15 resources, particularly in locations that enhance consumer
16 and environmental benefits;

17 (6) ensure opportunities for robust public
18 participation through open, transparent planning
19 processes.

20 (7) provide for the analysis of the cost-effectiveness
21 of proposed system investments, which takes into account
22 environmental costs and benefits;

23 (8) to the maximum extent practicable, achieve or
24 support the achievement of Illinois environmental goals,
25 including those described in Section 9.10 of the
26 Environmental Protection Act and Section 1-75 of the

1 Illinois Power Agency Act, and emissions reductions
2 required to improve the health, safety, and prosperity of
3 all Illinois residents;

4 (9) support existing Illinois policy goals promoting
5 the long-term growth of energy efficiency, demand
6 response, and investments in renewable energy resources;

7 (10) provide sufficient public information to the
8 Commission, stakeholders, and market participants in order
9 to enable nonemitting customer-owned or third-party
10 distributed energy resources, acting individually or in
11 aggregate, to seamlessly and easily connect to the grid,
12 provide grid benefits, support grid services, and achieve
13 environmental outcomes, without necessarily requiring
14 utility ownership or controlling interest over those
15 resources, and enable those resources to act as
16 alternatives to utility capital investments; and

17 (11) provide delivery services at rates that are
18 affordable to all customers, including low-income
19 customers.

20 (e) Plan Development Stakeholder Process.

21 (1) To promote the transparency of utility
22 distributions system planned investments and the planning
23 process for those investments, the Commission shall
24 convene a workshop process, over a period of no less than 5
25 months, for each such utility for the purpose of
26 establishing an open, inclusive, and cooperative forum

1 regarding such investments. The workshops shall be
2 facilitated by an independent, third-party facilitator
3 selected by the Commission. Data and projections provided
4 through the workshop process shall be designed to provide
5 participants with information about the electric utility's
6 (i) historic distribution system investments for at least
7 the 5 years prior to the year in which the workshop is held
8 and (ii) planned investments for the 5-year period
9 following the year in which the workshop is held. The
10 workshop process shall recognize that estimates for later
11 years will be less reliable and indicative of future
12 conduct than estimates for earlier years and that the
13 electric utility is subject to financial and system
14 planning processes. No later than January 1, 2022, the
15 facilitator shall initiate a series of workshops for each
16 electric utility subject to this Section. The series of
17 workshops shall include no fewer than 6 workshops and
18 shall conclude no later than June 1, 2022.

19 (2) The workshops shall be designed to achieve the
20 following objectives:

21 (A) review utilities' planned capital investments
22 and supporting data;

23 (B) review how utilities plan to invest in their
24 distribution system in order to meet the system's
25 projected needs;

26 (C) review system and locational data on

1 reliability, resiliency, DER, and service quality
2 provided by the utilities;

3 (D) solicit and consider input from diverse
4 stakeholders, including representatives from
5 environmental justice communities, geographically
6 diverse communities, low-income representatives,
7 consumer representatives, environmental
8 representatives, organized labor representatives,
9 third-party technology providers, and utilities;

10 (E) consider proposals from utilities and
11 stakeholders on programs and policies necessary to
12 achieve the objectives in subsection (d) of this
13 Section;

14 (F) consider proposals applicable to each
15 component of the utilities' Multi-Year Integrated Grid
16 Plan filings under paragraph (2) of subsection (f) of
17 this Section;

18 (G) educate and equip interested stakeholders so
19 that they can effectively and efficiently provide
20 feedback and input to the electric utility; and

21 (H) review planned capital investment to ensure
22 that delivery services are provided at rates that are
23 affordable to all customers, including low-income
24 customers.

25 (3) To the extent any of the information in
26 subparagraphs (A) through (H) of paragraph (2) of this

1 subsection is designated as confidential and proprietary
2 under the Commission's rules, the proponent of the
3 designation shall have the burden of making the requisite
4 showing under the Commission's rules. For data that is
5 determined to be confidential or that includes personally
6 identifiable information, the Commission may develop
7 procedures and processes to enable data sharing with
8 parties and stakeholders while ensuring the
9 confidentiality of the information.

10 (4) Workshops should be organized and facilitated in a
11 manner that encourages representation from diverse
12 stakeholders, ensuring equitable opportunities for
13 participation, without requiring formal intervention or
14 representation by an attorney. Workshops should be held
15 during both day and evening hours, in a variety of
16 locations within each electric utility's service
17 territory, and should allow remote participation.

18 (5) It is a goal of the State that this workshop
19 process will provide a forum for interested stakeholders
20 to effectively and efficiently provide feedback and input
21 to the electric utility. It is also a goal of the State
22 that stakeholder participation in this process will
23 prepare stakeholders to more capably participate in
24 Multi-Year Rate Plan proceedings conducted pursuant to
25 Section 16-108.18 of this Act, if they so elect. As part of
26 the workshop process, the electric utility shall submit to

1 the Commission the electric utility's capital investments
2 proposal, and supporting data described in subparagraphs
3 (A) through (C) of paragraph (2) of this subsection (e)
4 before the start of workshops to allow interested
5 stakeholders to reasonably review data before attending
6 workshops. The Commission shall make public the utility
7 capital investments proposal by posting it on the
8 Commission's website and set the location and time of any
9 workshop to be held as part of the workshop process, and
10 establish a data request process, consistent with the
11 Commission's rules, that affords workshop participants
12 opportunities to submit data requests to the utility, and
13 receive responses in accordance with the utility's
14 obligations under the law, prior to the workshop,
15 regarding the information described in this paragraph (5).
16 Upon the written request of a workshop participant, the
17 utility shall also present at a given workshop at least
18 one appropriate company representative who can address the
19 specific written questions or written categories of
20 questions identified in advance by the workshop
21 participant regarding issues related to the utility's
22 Multi-Year Integrated Grid Plan. To facilitate public
23 feedback, the administrator facilitating the workshops
24 shall, throughout the workshop process, develop questions
25 for stakeholder input on topics being considered. This may
26 include, but is not limited to: design of the workshop

1 process, locational data and information provided by
2 utilities, alignment of plans, programs, investments and
3 objectives, and other topics as deemed appropriate by the
4 Commission facilitation staff. Stakeholder feedback shall
5 not be limited to these questions. The information
6 provided as part of the workshop process pursuant to this
7 subsection (e) is intended to be informational and to
8 provide a preliminary view of costs and investments, which
9 may change. Accordingly, the information provided pursuant
10 to this subsection (e) shall not be binding on the utility
11 and shall not be the sole basis for a finding in any
12 Commission proceeding of imprudence, unreasonableness, or
13 lack of use or usefulness of any individual or aggregate
14 level of utility plant or other investment or expenditure
15 addressed; however, information contained in the plan may
16 be used in a proceeding before the Commission, with weight
17 of such evidence to be determined by the Commission.

18 (6) Workshops shall not be considered settlement
19 negotiations, compromise negotiations, or offers to
20 compromise for the purposes of Illinois Rule of Evidence
21 408. All materials shared as a part of the workshop
22 process, and that are not determined to be confidential as
23 described in paragraph (3) of this subsection (e), shall
24 be made publicly available on a website made available by
25 the Commission.

26 (7) On conclusion of the workshops, the Commission

1 shall open a comment period that allows interested and
2 diverse stakeholders to submit comments and
3 recommendations regarding the utility's Multi-Year
4 Integrated Grid Plan filing. Based on the workshop process
5 and stakeholder comments and recommendations offered
6 verbally or in writing during the workshops and in writing
7 during the comment period following the workshops, the
8 independent third-party facilitator shall prepare a
9 report, to be submitted to the Commission no later than
10 July 1, 2022, describing the stakeholders, discussions,
11 proposals, and areas of consensus and disagreement from
12 the workshop process, and making recommendations to the
13 Commission regarding the utility's Multi-Year Integrated
14 Grid Plan. Interested stakeholders shall have an
15 opportunity to provide comment on the independent
16 third-party facilitator report.

17 (8) Based on discussions in the workshops, the
18 independent third-party facilitator report, and
19 stakeholder comments and recommendations made during and
20 following the workshop process, the Commission shall issue
21 initiating orders no later than August 1, 2022, requiring
22 the electric utilities subject to this Section to file the
23 first Multi-Year Integrated Grid Plan no later than
24 January 20, 2023. The initiating orders shall specify the
25 requirements applicable to the utilities' Multi-Year
26 Integrated Grid Plans, which shall supplement and not

1 replace those requirements described in subsection (f) of
2 this Section.

3 (f) Multi-Year Integrated Grid Plan.

4 (1) Pursuant to this subsection (f) and the initiating
5 orders of the Commission, each electric utility subject to
6 this Section shall, no later than January 20, 2023, submit
7 its first Multi-Year Integrated Grid Plan. No later than
8 January 20, 2026, and every 4 years thereafter, the
9 utility shall submit its subsequent Plan. Each Plan shall:

10 (A) incorporate requirements established by the
11 Commission in its initiating order; and

12 (B) propose distribution system investment
13 programs, policies, and plans designed to optimize
14 achievement of the objectives set forth in subsection
15 (d) of this Section and achieve the metrics approved
16 by the Commission pursuant to Section 16-108.18 of
17 this Act.

18 To the extent practicable and reasonable, all
19 programs, policies, and initiatives proposed by the
20 utility in its plan should be informed by stakeholder
21 input received during the workshop process pursuant to
22 subsection (e) of this Section. Where specific stakeholder
23 input has not been incorporated in proposed programs,
24 policies, and plans, the electric utility shall provide an
25 explanation as to why that input was not incorporated.

26 (2) In order to ensure electric utilities' ability to

1 meet the goals and objectives set forth in this Section,
2 the Multi-Year Integrated Grid Plans must include, at
3 minimum, the following information:

4 (A) A description of the utility's distribution
5 system planning process, including:

6 (i) the overview of the process, including
7 frequency and duration of the process, roles, and
8 responsibilities of utility personnel and
9 departments involved;

10 (ii) a summary of the meetings with
11 stakeholders conducted prior to filing of the plan
12 with the Commission.

13 (iii) the description of any coordination of
14 the processes with any other planning process
15 internal or external to the utility, including
16 those required by a regional transmission
17 operator.

18 (B) A detailed description of the current
19 operating conditions for the distribution system
20 separately presented for each of the utility's
21 operating areas, where possible, including a detailed
22 description, with supporting data, of system
23 conditions, including baseline data regarding the
24 utility's distribution system from the utility's
25 annual report to the Commission, total distribution
26 system substation capacity in kVa, total miles of

1 primary overhead distribution wire, and total miles of
2 primary underground distribution cable, distributed
3 energy resource deployment by type, size, customer
4 class, and geographic dispersion as to those DERs that
5 have completed the interconnection process, the most
6 current distribution line loss study, current and
7 expected System Average Interruption Frequency Index
8 and Customer Average Interruption Duration Index data
9 for the system, identification of the system model
10 software currently used and planned software
11 deployments, and other data needs as requested by the
12 Commission or as determined through Commission rules.
13 The description shall also include the utility's most
14 recent system load and peak demand forecast for at
15 least the next 5 years, and up to 10 years if
16 available, a discussion of how the forecast was
17 prepared and how distributed energy resources and
18 energy efficiency were factored into the forecast, and
19 identification of the forecasting software currently
20 used and planned software deployments.

21 (C) Financial Data.

22 (i) For each of the preceding 5 years, the
23 utility's distribution system investments by the
24 investment categories tracked by the utility,
25 including, but not limited to, new business,
26 facility relocation, capacity expansion, system

1 performance, preventive maintenance, corrective
2 maintenance, the total amount of investments
3 associated with the integration of DERs, the total
4 amount of charges to DER developers and retail
5 customers for interconnection of DERs to the
6 distribution system, and a list of each major
7 investment category the utility used to maintain
8 its routine standing operational activities and
9 the associated plant in service amount for each
10 category in which the plant in service amount is
11 at least \$2,000,000;

12 (ii) For each of the preceding 5 years, data
13 on and a discussion of the utility's distribution
14 system operation and maintenance expenses;

15 (iii) A 5-year long-range forecast of
16 distribution system capital investments and
17 operational and maintenance expenses, including a
18 discussion of any projections for expenses for the
19 categories listed in subparagraph (i) of this item
20 (C).

21 (D) System data on DERs on the utility's
22 distribution system, including the total number and
23 nameplate capacity of DERs that completed
24 interconnection in the prior year, current DER
25 deployment by type, size, and geographic dispersion,
26 to the extent that granular geographic information

1 does not disclose personally identifiable information,
2 and other data as requested by the Commission or
3 determined by Commission rules.

4 (E) Hosting Capacity and Interconnection
5 Requirements.

6 (i) The utility shall make available on its
7 website the hosting capacity analysis results that
8 shall include mapping and GIS capability, as well
9 as any other requirements requested by the
10 Commission or determined through Commission rules.
11 The plan shall identify where the hosting capacity
12 analysis results shall be made publicly available.
13 This shall also include an assessment of the
14 impact of utility investments over the next 5
15 years on hosting capacity and a narrative
16 discussion of how the hosting capacity analysis
17 advances customer-sited distributed energy
18 resources, including electric vehicles, energy
19 storage systems, and photovoltaic resources, and
20 how the identification of interconnection points
21 on the distribution system will support the
22 continued development of distributed energy
23 resources.

24 (ii) Discussion of the utility's
25 interconnection requirements and how they comply
26 with the Commission's applicable regulations.

1 (F) Identification and discussion of the scenarios
2 considered in the development of the utility's
3 Multi-Year Integrated Grid Plan, including DER
4 scenarios, and discussion of base-case and alternative
5 scenarios, how the scenarios were developed and
6 selected, and how the scenarios include a reasonable
7 mix of DERs scenarios, types, and geographic
8 dispersion. Scenarios shall at least consider the
9 5-year forecast horizon of the Multi-Year Integrated
10 Grid Plan, but may also consider longer-term scenarios
11 where data is available. The plan shall also include
12 requirements requested by the Commission or determined
13 through Commission rules.

14 (G) An evaluation of the short-term and long-run
15 benefits and costs of distributed energy resources
16 located on the distribution system, including, but not
17 limited to, the locational, temporal, and
18 performance-based benefits and costs of distributed
19 energy resources. The utility shall use the results of
20 this evaluation to inform its analysis of Solution
21 Sourcing Opportunities, including nonwires
22 alternatives, under subparagraph (K) of paragraph (2)
23 subsection (f) of this Section. The Commission may use
24 the data produced through this evaluation to, among
25 other use-cases, inform the Commission's investigation
26 and establishment of tariffs and compensation for

1 distributed energy resources interconnecting to the
2 utility's distribution system, including rebates
3 provided by the electric utility pursuant to Section
4 16-107.6 of this Act.

5 (H) Long-term Distribution System Investment Plan.

6 (i) The utility's planned distribution capital
7 investments for the period covered by the planning
8 process required by this Section, by the
9 investment categories used by the utility, and
10 with discussion of any individual planned projects
11 with a planned total investment gross amount of
12 \$3,000,000 or more and of the alternatives
13 considered by the utility to such individual
14 projects including any non-traditional
15 alternatives and DER alternatives, and supporting
16 data. This shall provide sufficiently detailed
17 explanations of how the planned investments shall
18 support the goals in subsection (d) of this
19 Section.

20 (ii) Discussion of how the utility's capital
21 investments plan is consistent with Commission
22 orders regarding the procurement of renewable
23 resources as discussed in Section 16-111.5 of this
24 Act, energy efficiency plans as discussed in
25 Section 8-103B, distributed generation rebates as
26 discussed in Section 16-107.6, and any other

1 Commission order affecting the goals described in
2 subsection (d) of this Section.

3 (iii) A plan for achieving the applicable
4 metrics that were approved by the Commission for
5 the utility pursuant to subsection (e) of Section
6 16-108.18 of this Act.

7 (iv) A narrative discussion of the utility's
8 vision for the distribution system over the next 5
9 years.

10 (v) Any additional information requested by
11 the Commission or determined through Commission
12 rules.

13 (I) A detailed description of historic
14 distribution system operations and maintenance
15 expenditures for the preceding 5 years and of planned
16 or projected operations and maintenance expenditures
17 for the period covered by the planning process
18 required by this Section, as well as the data,
19 reasoning and explanation supporting planned or
20 projected expenditures. Any additional information
21 requested by the Commission or determined through
22 Commission rules.

23 (J) A detailed plan for achieving the applicable
24 metrics that were approved by the Commission for the
25 utility pursuant to subsection (e) of Section
26 16-108.18 of this Act, including, but not limited to,

1 the following:

2 (i) A description of, exclusive of low-income
3 rate relief programs and other income-qualified
4 programs, how the utility is supporting efforts to
5 bring 40% of benefits from programs, policies, and
6 initiatives proposed in their Multi-Year
7 Integrated Grid Plan to ratepayers in low-income
8 and environmental justice communities. This shall
9 also include any information requested by the
10 Commission or determined through Commission rules.
11 Nothing in this subparagraph is meant to require a
12 specific amount of spending in a particular
13 geographic area.

14 (ii) A detailed analysis of current and
15 projected flexible resources, including resource
16 type, size (in MW and MWh), location and
17 environmental impact, as well as anticipated needs
18 that can be met using flexible resources, to meet
19 the goals described in subsection (d) of this
20 Section, to meet the applicable metrics that were
21 approved by the Commission for the utility
22 pursuant to subsection (e) of Section 16-108.18 of
23 this Act, and any other Commission order affecting
24 the goals described in subsection (d) of this
25 Section.

26 (iii) Any additional information requested by

1 the Commission or determined through Commission
2 rules.

3 (K) Identification of potential cost-effective
4 solutions from nontraditional and third-party owned
5 investments that could meet anticipated grid needs,
6 including, but not limited to, distributed energy
7 resources procurements, tariffs or contracts,
8 programmatic solutions, rate design options,
9 technologies or programs that facilitate load
10 flexibility, nonwires alternatives, and other
11 solutions that are intended to meet the objectives
12 described at subsection (d). It is the policy of this
13 State that cost-effective third-party or
14 customer-owned distributed energy resources create
15 robust competition and customer choice and shall be
16 considered as appropriate. The Commission shall
17 establish rules determining data or methods for
18 Solution Sourcing Opportunities.

19 (L) A detailed description of the utility's
20 interoperability plan, which must describe the manner
21 in which the electric utility's current and planned
22 distribution system investments will work together and
23 exchange information and data, the extent to which the
24 utility is implementing open standards and interfaces
25 with third-party distributed energy resource owners
26 and aggregators, and the utility's plan for

1 interoperability testing and certification.

2 (3) To the extent any information in utilities'
3 Multi-Year Integrated Grid Plans is designated as
4 confidential and proprietary under the Commission's rules,
5 the proponent of the designation shall have the burden of
6 making the requisite showing under the Commission's rules.
7 For data that is determined to be confidential or that
8 includes personally identifiable information, the
9 Commission may develop procedures and processes to enable
10 data sharing with parties and stakeholders while ensuring
11 the confidentiality of the information. All confidential
12 information exchanged, submitted, or shared by a utility
13 pursuant to this Section shall be protected from
14 intentional and accidental dissemination. The Commission
15 shall have authority to supervise, protect, and restrict
16 access to all confidential, commercially sensitive, or
17 system security related information and data, and shall be
18 authorized to take all necessary steps to protect that
19 information from unauthorized disclosure. This paragraph
20 shall not be interpreted to require a utility to make
21 publicly available any information or data that could
22 compromise the physical or cyber security of a utility's
23 distribution system. Any party that accidentally
24 disseminates confidential information obtained pursuant to
25 a proceeding initiated in accordance with this Section, or
26 is the victim of a cyber-security breach, must notify the

1 affected utility, the Illinois Attorney General, and the
2 Commission staff with 24 hours of knowledge of such
3 dissemination or breach. Any party that fails to provide
4 required notification of such a breach shall be subject to
5 remedies available to the Commission and the Illinois
6 Attorney General.

7 (4) It is the policy of this State that holistic
8 consideration of all related investments, planning
9 processes, tariffs, rate design options, programs, and
10 other utility policies and plans shall be required. To
11 that end, the Commission shall consider, comprehensively,
12 the impact of all related plans, tariffs, programs, and
13 policies on the Plan and on each other, including:

14 (A) time-of-use pricing program pursuant to
15 Section 16-107.7 of this Act, hourly pricing program
16 pursuant to Section 16-107 of this Act, and any other
17 time-variant or dynamic pricing program;

18 (B) distributed generation rebate pursuant to
19 Section 16-107.6 of this Act;

20 (C) net electricity metering, pursuant to Section
21 16-107.5 of this Act;

22 (D) energy efficiency programs pursuant to Section
23 8-103B of this Act;

24 (E) beneficial electrification programs pursuant
25 to Section 16-107.8 of this Act;

26 (F) Equitable Energy Upgrade Program pursuant to

1 Section 16-111.10 of this Act;

2 (G) renewable energy programs and procurements set
3 forth in the Illinois Power Agency Act, including, but
4 not limited to, those set forth in the long-term
5 renewable resources procurement plan developed
6 pursuant to Section 1-20 of that Act; and

7 (H) other plans, programs, and policies that are
8 relevant to distribution grid investments, costs,
9 planning, and other categories as requested by the
10 Commission.

11 The Plan shall comprehensively detail the relationship
12 between these plans, tariffs, and programs and to the
13 electric utility's achievement of the objectives in
14 subsection (d). The Plan shall be designed to coordinate
15 each of these plans, programs, and tariffs with the
16 electric utility's long-term distribution system
17 investment planning in order to maximize the benefits of
18 each.

19 (5) The initiating order for the initial Multi-Year
20 Integrated Grid Plan, as well as each electric utility's
21 subsequent Integrated Grid Plans under subsection (g),
22 shall begin a contested proceeding as described in
23 subsection (d) of Section 10-101.1 of this Act.

24 (A) In evaluating a utility's Plan, the Commission
25 shall consider, at minimum, whether the Plan:

26 (1) meets the objectives of this Section;

1 (2) includes the components in paragraph (2)
2 of subsection (f) of this Section;

3 (3) considers and incorporates, where
4 practicable, input from interested stakeholders,
5 including parties and people who offer public
6 comment without legal representation;

7 (4) considers nontraditional, including
8 third-party owned, investment alternatives that
9 can meet grid needs and provide additional
10 benefits (including consumer, economic, and
11 environmental benefits) beyond comparable,
12 traditional utility-planned capital investments;

13 (5) equitably benefits environmental justice
14 communities; and

15 (6) maximizes consumer, environmental,
16 economic, and community benefits over a 10-year
17 horizon.

18 (B) The Commission, after notice and hearing,
19 shall modify each electric utility's Plan as necessary
20 to comply with the objectives of this Section. The
21 Commission may approve, or modify and approve, a Plan
22 only if it finds that the Plan is reasonable, complies
23 with the objectives and requirements of this Section,
24 and reasonably incorporates input from parties. The
25 Commission may reject each electric utility's Plan if
26 it finds that the Plan does not comply with the

1 objectives and requirements of this Section. If the
2 Commission enters an order rejecting a Plan, the
3 utility must refile a Plan within 3 months after that
4 order, and until the Commission approves a Plan, the
5 utility's existing Plan will remain in effect.

6 (C) For the initial Integrated Grid Plan filings,
7 the Commission shall enter an order approving,
8 modifying, or rejecting the Plan no later than
9 December 15, 2023. For subsequent Integrated Grid Plan
10 filings, the Commission shall enter an order
11 approving, modifying, or rejecting the Plan no later
12 than December 15 of the year in which it was filed.

13 (D) Each electric utility shall file its proposed
14 Initial Multi-Year Integrated Grid Plan no later than
15 January 20, 2023. Prior to that date and following the
16 initiating order, the Commission shall initiate a case
17 management conference and shall take any appropriate
18 steps to begin meaningful consideration of issues,
19 including enabling interested parties to begin
20 conducting discovery.

21 (6) As part of its order approving a utility's
22 Multi-Year Integrated Grid Plan, including any
23 modifications required, the Commission may create a
24 subsequent implementation plan docket, or multiple
25 implementation plan dockets, if the Commission determines
26 that multiple dockets would be preferable, to consider a

1 utility's detailed plan or plans, as directed in the
2 Commission's order.

3 (g) No later than January 20, 2026 and every 4 years
4 thereafter, each electric utility subject to this Section
5 shall file a new Multi-Year Integrated Grid Plan for the
6 subsequent 4 delivery years after the completion of the
7 then-effective Plan. Each Plan shall meet the requirements
8 described in subsection (f) of this Section, and shall be
9 preceded by a workshop process which meets the same
10 requirements described in subsection (e). If appropriate, the
11 Commission may require additional implementation dockets to
12 follow Subsequent Multi-Year Integrated Grid Plan filings.

13 (h) During the period leading to approval of the first
14 Multi-Year Integrated Grid Plan, each electric utility will
15 necessarily continue to invest in its distribution grid. Those
16 investments will be subject to a determination of prudence and
17 reasonableness consistent with Commission practice and law.
18 Any failure of such investments to conform to the Multi-Year
19 Integrated Grid Plan ultimately approved shall not imply
20 imprudence or unreasonableness.

21 (i) The Commission shall adopt rules to carry out the
22 provisions of this Section under the emergency rulemaking
23 provisions set forth in Section 5-45 of the Illinois
24 Administrative Procedure Act, and such emergency rules may be
25 effective no later than 90 days after the effective date of
26 this amendatory Act of the 102nd General Assembly.

1 (220 ILCS 5/16-107.5)

2 Sec. 16-107.5. Net electricity metering.

3 (a) The General Assembly ~~Legislature~~ finds and declares
4 that a program to provide net electricity metering, as defined
5 in this Section, for eligible customers can encourage private
6 investment in renewable energy resources, stimulate economic
7 growth, enhance the continued diversification of Illinois'
8 energy resource mix, and protect the Illinois environment.
9 Further, to achieve the goals of this Act that robust options
10 for customer-site distributed generation continue to thrive in
11 Illinois, the General Assembly finds that a predictable
12 transition must be ensured for customers between full net
13 metering at the retail electricity rate to the distribution
14 generation rebate described in Section 16-107.6.

15 (b) As used in this Section, (i) "community renewable
16 generation project" shall have the meaning set forth in
17 Section 1-10 of the Illinois Power Agency Act; (ii) "eligible
18 customer" means a retail customer that owns, hosts, or
19 operates, including any third-party owned systems, a solar,
20 wind, or other eligible renewable electrical generating
21 facility ~~with a rated capacity of not more than 2,000~~
22 ~~kilowatts~~ that is located on the customer's premises or
23 customer's side of the billing meter and is intended primarily
24 to offset the customer's own current or future electrical
25 requirements; (iii) "electricity provider" means an electric

1 utility or alternative retail electric supplier; (iv)
2 "eligible renewable electrical generating facility" means a
3 generator, which may include the co-location of an energy
4 storage system, that is interconnected under rules adopted by
5 the Commission and is powered by solar electric energy, wind,
6 dedicated crops grown for electricity generation, agricultural
7 residues, untreated and unadulterated wood waste, ~~landscape~~
8 ~~trimmings,~~ livestock manure, anaerobic digestion of livestock
9 or food processing waste, fuel cells or microturbines powered
10 by renewable fuels, or hydroelectric energy; (v) "net
11 electricity metering" (or "net metering") means the
12 measurement, during the billing period applicable to an
13 eligible customer, of the net amount of electricity supplied
14 by an electricity provider to the customer ~~customer's premises~~
15 or provided to the electricity provider by the customer or
16 subscriber; (vi) "subscriber" shall have the meaning as set
17 forth in Section 1-10 of the Illinois Power Agency Act; ~~and~~
18 (vii) "subscription" shall have the meaning set forth in
19 Section 1-10 of the Illinois Power Agency Act; (viii) "energy
20 storage system" means commercially available technology that
21 is capable of absorbing energy and storing it for a period of
22 time for use at a later time, including, but not limited to,
23 electrochemical, thermal, and electromechanical technologies,
24 and may be interconnected behind the customer's meter or
25 interconnected behind its own meter; and (ix) "future
26 electrical requirements" means modeled electrical requirements

1 upon occupation of a new or vacant property, and other
2 reasonable expectations of future electrical use, as well as,
3 for occupied properties, a reasonable approximation of the
4 annual load of 2 electric vehicles and, for non-electric
5 heating customers, a reasonable approximation of the
6 incremental electric load associated with fuel switching. The
7 approximations shall be applied to the appropriate net
8 metering tariff and do not need to be unique to each individual
9 eligible customer. The utility shall submit these
10 approximations to the Commission for review, modification, and
11 approval.

12 (c) A net metering facility shall be equipped with
13 metering equipment that can measure the flow of electricity in
14 both directions at the same rate.

15 (1) For eligible customers whose electric service has
16 not been declared competitive pursuant to Section 16-113
17 of this Act as of July 1, 2011 and whose electric delivery
18 service is provided and measured on a kilowatt-hour basis
19 and electric supply service is not provided based on
20 hourly pricing, this shall typically be accomplished
21 through use of a single, bi-directional meter. If the
22 eligible customer's existing electric revenue meter does
23 not meet this requirement, the electricity provider shall
24 arrange for the local electric utility or a meter service
25 provider to install and maintain a new revenue meter at
26 the electricity provider's expense, which may be the smart

1 meter described by subsection (b) of Section 16-108.5 of
2 this Act.

3 (2) For eligible customers whose electric service has
4 not been declared competitive pursuant to Section 16-113
5 of this Act as of July 1, 2011 and whose electric delivery
6 service is provided and measured on a kilowatt demand
7 basis and electric supply service is not provided based on
8 hourly pricing, this shall typically be accomplished
9 through use of a dual channel meter capable of measuring
10 the flow of electricity both into and out of the
11 customer's facility at the same rate and ratio. If such
12 customer's existing electric revenue meter does not meet
13 this requirement, then the electricity provider shall
14 arrange for the local electric utility or a meter service
15 provider to install and maintain a new revenue meter at
16 the electricity provider's expense, which may be the smart
17 meter described by subsection (b) of Section 16-108.5 of
18 this Act.

19 (3) For all other eligible customers, until such time
20 as the local electric utility installs a smart meter, as
21 described by subsection (b) of Section 16-108.5 of this
22 Act, the electricity provider may arrange for the local
23 electric utility or a meter service provider to install
24 and maintain metering equipment capable of measuring the
25 flow of electricity both into and out of the customer's
26 facility at the same rate and ratio, typically through the

1 use of a dual channel meter. If the eligible customer's
2 existing electric revenue meter does not meet this
3 requirement, then the costs of installing such equipment
4 shall be paid for by the customer.

5 (d) An electricity provider shall measure and charge or
6 credit for the net electricity supplied to eligible customers
7 or provided by eligible customers whose electric service has
8 not been declared competitive pursuant to Section 16-113 of
9 this Act as of July 1, 2011 and whose electric delivery service
10 is provided and measured on a kilowatt-hour basis and electric
11 supply service is not provided based on hourly pricing in the
12 following manner:

13 (1) If the amount of electricity used by the customer
14 during the billing period exceeds the amount of
15 electricity produced by the customer, the electricity
16 provider shall charge the customer for the net electricity
17 supplied to and used by the customer as provided in
18 subsection (e-5) of this Section.

19 (2) If the amount of electricity produced by a
20 customer during the billing period exceeds the amount of
21 electricity used by the customer during that billing
22 period, the electricity provider supplying that customer
23 shall apply a 1:1 kilowatt-hour credit to a subsequent
24 bill for service to the customer for the net electricity
25 supplied to the electricity provider. The electricity
26 provider shall continue to carry over any excess

1 kilowatt-hour credits earned and apply those credits to
2 subsequent billing periods to offset any
3 customer-generator consumption in those billing periods
4 until all credits are used or until the end of the
5 annualized period.

6 (3) At the end of the year or annualized over the
7 period that service is supplied by means of net metering,
8 or in the event that the retail customer terminates
9 service with the electricity provider prior to the end of
10 the year or the annualized period, any remaining credits
11 in the customer's account shall expire.

12 (d-5) An electricity provider shall measure and charge or
13 credit for the net electricity supplied to eligible customers
14 or provided by eligible customers whose electric service has
15 not been declared competitive pursuant to Section 16-113 of
16 this Act as of July 1, 2011 and whose electric delivery service
17 is provided and measured on a kilowatt-hour basis and electric
18 supply service is provided based on hourly pricing or
19 time-of-use rates in the following manner:

20 (1) If the amount of electricity used by the customer
21 during any hourly period or time-of-use period exceeds the
22 amount of electricity produced by the customer, the
23 electricity provider shall charge the customer for the net
24 electricity supplied to and used by the customer according
25 to the terms of the contract or tariff to which the same
26 customer would be assigned to or be eligible for if the

1 customer was not a net metering customer.

2 (2) If the amount of electricity produced by a
3 customer during any hourly period or time-of-use period
4 exceeds the amount of electricity used by the customer
5 during that hourly period or time-of-use period, the
6 energy provider shall apply a credit for the net
7 kilowatt-hours produced in such period. The credit shall
8 consist of an energy credit and a delivery service credit.
9 The energy credit shall be valued at the same price per
10 kilowatt-hour as the electric service provider would
11 charge for kilowatt-hour energy sales during that same
12 hourly period or time-of-use period. The delivery credit
13 shall be equal to the net kilowatt-hours produced in such
14 hourly period or time-of-use period times a credit that
15 reflects all kilowatt-hour based charges in the customer's
16 electric service rate, excluding energy charges.

17 (e) An electricity provider shall measure and charge or
18 credit for the net electricity supplied to eligible customers
19 whose electric service has not been declared competitive
20 pursuant to Section 16-113 of this Act as of July 1, 2011 and
21 whose electric delivery service is provided and measured on a
22 kilowatt demand basis and electric supply service is not
23 provided based on hourly pricing in the following manner:

24 (1) If the amount of electricity used by the customer
25 during the billing period exceeds the amount of
26 electricity produced by the customer, then the electricity

1 provider shall charge the customer for the net electricity
2 supplied to and used by the customer as provided in
3 subsection (e-5) of this Section. The customer shall
4 remain responsible for all taxes, fees, and utility
5 delivery charges that would otherwise be applicable to the
6 net amount of electricity used by the customer.

7 (2) If the amount of electricity produced by a
8 customer during the billing period exceeds the amount of
9 electricity used by the customer during that billing
10 period, then the electricity provider supplying that
11 customer shall apply a 1:1 kilowatt-hour credit that
12 reflects the kilowatt-hour based charges in the customer's
13 electric service rate to a subsequent bill for service to
14 the customer for the net electricity supplied to the
15 electricity provider. The electricity provider shall
16 continue to carry over any excess kilowatt-hour credits
17 earned and apply those credits to subsequent billing
18 periods to offset any customer-generator consumption in
19 those billing periods until all credits are used or until
20 the end of the annualized period.

21 (3) At the end of the year or annualized over the
22 period that service is supplied by means of net metering,
23 or in the event that the retail customer terminates
24 service with the electricity provider prior to the end of
25 the year or the annualized period, any remaining credits
26 in the customer's account shall expire.

1 (e-5) An electricity provider shall provide electric
2 service to eligible customers who utilize net metering at
3 non-discriminatory rates that are identical, with respect to
4 rate structure, retail rate components, and any monthly
5 charges, to the rates that the customer would be charged if not
6 a net metering customer. An electricity provider shall not
7 charge net metering customers any fee or charge or require
8 additional equipment, insurance, or any other requirements not
9 specifically authorized by interconnection standards
10 authorized by the Commission, unless the fee, charge, or other
11 requirement would apply to other similarly situated customers
12 who are not net metering customers. The customer will remain
13 responsible for all taxes, fees, and utility delivery charges
14 that would otherwise be applicable to the net amount of
15 electricity used by the customer. Subsections (c) through (e)
16 of this Section shall not be construed to prevent an
17 arms-length agreement between an electricity provider and an
18 eligible customer that sets forth different prices, terms, and
19 conditions for the provision of net metering service,
20 including, but not limited to, the provision of the
21 appropriate metering equipment for non-residential customers.

22 (f) Notwithstanding the requirements of subsections (c)
23 through (e-5) of this Section, an electricity provider must
24 require dual-channel metering for customers operating eligible
25 renewable electrical generating facilities ~~with a nameplate~~
26 ~~rating up to 2,000 kilowatts and~~ to whom the provisions of

1 neither subsection (d), (d-5), nor (e) of this Section apply.
2 In such cases, electricity charges and credits shall be
3 determined as follows:

4 (1) The electricity provider shall assess and the
5 customer remains responsible for all taxes, fees, and
6 utility delivery charges that would otherwise be
7 applicable to the gross amount of kilowatt-hours supplied
8 to the eligible customer by the electricity provider.

9 (2) Each month that service is supplied by means of
10 dual-channel metering, the electricity provider shall
11 compensate the eligible customer for any excess
12 kilowatt-hour credits at the electricity provider's
13 avoided cost of electricity supply over the monthly period
14 or as otherwise specified by the terms of a power-purchase
15 agreement negotiated between the customer and electricity
16 provider.

17 (3) For all eligible net metering customers taking
18 service from an electricity provider under contracts or
19 tariffs employing hourly or time-of-use ~~time-of-use~~ rates,
20 any monthly consumption of electricity shall be calculated
21 according to the terms of the contract or tariff to which
22 the same customer would be assigned to or be eligible for
23 if the customer was not a net metering customer. When
24 those same customer-generators are net generators during
25 any discrete hourly or time-of-use ~~time-of-use~~ period, the
26 net kilowatt-hours produced shall be valued at the same

1 price per kilowatt-hour as the electric service provider
2 would charge for retail kilowatt-hour sales during that
3 same time-of-use ~~time-of-use~~ period.

4 (g) For purposes of federal and State laws providing
5 renewable energy credits or greenhouse gas credits, the
6 eligible customer shall be treated as owning and having title
7 to the renewable energy attributes, renewable energy credits,
8 and greenhouse gas emission credits related to any electricity
9 produced by the qualified generating unit. The electricity
10 provider may not condition participation in a net metering
11 program on the signing over of a customer's renewable energy
12 credits; provided, however, this subsection (g) shall not be
13 construed to prevent an arms-length agreement between an
14 electricity provider and an eligible customer that sets forth
15 the ownership or title of the credits.

16 (h) Within 120 days after the effective date of this
17 amendatory Act of the 95th General Assembly, the Commission
18 shall establish standards for net metering and, if the
19 Commission has not already acted on its own initiative,
20 standards for the interconnection of eligible renewable
21 generating equipment to the utility system. The
22 interconnection standards shall address any procedural
23 barriers, delays, and administrative costs associated with the
24 interconnection of customer-generation while ensuring the
25 safety and reliability of the units and the electric utility
26 system. The Commission shall consider the Institute of

1 Electrical and Electronics Engineers (IEEE) Standard 1547 and
2 the issues of (i) reasonable and fair fees and costs, (ii)
3 clear timelines for major milestones in the interconnection
4 process, (iii) nondiscriminatory terms of agreement, and (iv)
5 any best practices for interconnection of distributed
6 generation.

7 (h-5) Within 90 days after the effective date of this
8 amendatory Act of the 102nd General Assembly, the Commission
9 shall:

10 (1) establish an Interconnection Working Group. The
11 working group shall include representatives from electric
12 utilities, developers of renewable electric generating
13 facilities, other industries that regularly apply for
14 interconnection with the electric utilities,
15 representatives of distributed generation customers, the
16 Commission Staff, and such other stakeholders with a
17 substantial interest in the topics addressed by the
18 Interconnection Working Group. The Interconnection Working
19 Group shall address at least the following issues:

20 (A) cost and best available technology for
21 interconnection and metering, including the
22 standardization and publication of standard costs;

23 (B) transparency, accuracy and use of the
24 distribution interconnection queue and hosting
25 capacity maps;

26 (C) distribution system upgrade cost avoidance

1 through use of advanced inverter functions;

2 (D) predictability of the queue management process
3 and enforcement of timelines;

4 (E) benefits and challenges associated with group
5 studies and cost sharing;

6 (F) minimum requirements for application to the
7 interconnection process and throughout the
8 interconnection process to avoid queue clogging
9 behavior;

10 (G) process and customer service for
11 interconnecting customers adopting distributed energy
12 resources, including energy storage;

13 (H) options for metering distributed energy
14 resources, including energy storage;

15 (I) interconnection of new technologies, including
16 smart inverters and energy storage;

17 (J) collect, share, and examine data on Level 1
18 interconnection costs, including cost and type of
19 upgrades required for interconnection, and use this
20 data to inform the final standardized cost of Level 1
21 interconnection; and

22 (K) such other technical, policy, and tariff
23 issues related to and affecting interconnection
24 performance and customer service as determined by the
25 Interconnection Working Group.

26 The Commission may create subcommittees of the

1 Interconnection Working Group to focus on specific issues
2 of importance, as appropriate. The Interconnection Working
3 Group shall report to the Commission on recommended
4 improvements to interconnection rules and tariffs and
5 policies as determined by the Interconnection Working
6 Group at least every 6 months. Such reports shall include
7 consensus recommendations of the Interconnection Working
8 Group and, if applicable, additional recommendations for
9 which consensus was not reached. The Commission shall use
10 the report from the Interconnection Working Group to
11 determine whether processes should be commenced to
12 formally codify or implement the recommendations;

13 (2) create or contract for an Ombudsman to resolve
14 interconnection disputes through non-binding arbitration.
15 The Ombudsman may be paid in full or in part through fees
16 levied on the initiators of the dispute; and

17 (3) determine a single standardized cost for Level 1
18 interconnections, which shall not exceed \$200.

19 (i) All electricity providers shall begin to offer net
20 metering no later than April 1, 2008.

21 (j) An electricity provider shall provide net metering to
22 eligible customers according to subsections (d), (d-5), and
23 (e). Eligible renewable electrical generating facilities for
24 which eligible customers registered for net metering before
25 January 1, 2025 shall continue to receive net metering
26 services according to subsections (d), (d-5), and (e) of this

1 Section for the lifetime of the system, regardless of whether
2 those retail customers change electricity providers or whether
3 the retail customer benefiting from the system changes. On and
4 after January 1, 2025, any eligible customer that applies for
5 net metering and previously would have qualified under
6 subsections (d), (d-5), or (e) shall only be eligible for net
7 metering as described in subsection (n). ~~until the load of its~~
8 ~~net metering customers equals 5% of the total peak demand~~
9 ~~supplied by that electricity provider during the previous~~
10 ~~year. After such time as the load of the electricity~~
11 ~~provider's net metering customers equals 5% of the total peak~~
12 ~~demand supplied by that electricity provider during the~~
13 ~~previous year, eligible customers that begin taking net~~
14 ~~metering shall only be eligible for netting of energy.~~

15 (k) Each electricity provider shall maintain records and
16 report annually to the Commission the total number of net
17 metering customers served by the provider, as well as the
18 type, capacity, and energy sources of the generating systems
19 used by the net metering customers. Nothing in this Section
20 shall limit the ability of an electricity provider to request
21 the redaction of information deemed by the Commission to be
22 confidential business information.

23 (l)(1) Notwithstanding the definition of "eligible
24 customer" in item (ii) of subsection (b) of this Section, each
25 electricity provider shall allow net metering as set forth in
26 this subsection (l) and for the following projects, provided

1 that only electric utilities serving more than 200,000
2 customers as of January 1, 2021 shall provide net metering for
3 projects that are eligible for subparagraph (C) of this
4 paragraph (1) and have energized after the effective date of
5 this amendatory Act of the 102nd General Assembly:

6 (A) properties owned or leased by multiple customers
7 that contribute to the operation of an eligible renewable
8 electrical generating facility through an ownership or
9 leasehold interest of at least 200 watts in such facility,
10 such as a community-owned wind project, a community-owned
11 biomass project, a community-owned solar project, or a
12 community methane digester processing livestock waste from
13 multiple sources, provided that the facility is also
14 located within the utility's service territory;

15 (B) individual units, apartments, or properties
16 located in a single building that are owned or leased by
17 multiple customers and collectively served by a common
18 eligible renewable electrical generating facility, such as
19 an office or apartment building, a shopping center or
20 strip mall served by photovoltaic panels on the roof; and

21 (C) subscriptions to community renewable generation
22 projects, including community renewable generation
23 projects on the customer's side of the billing meter of a
24 host facility and partially used for the customer's own
25 load.

26 In addition, the nameplate capacity of the eligible

1 renewable electric generating facility that serves the demand
2 of the properties, units, or apartments identified in
3 paragraphs (1) and (2) of this subsection (1) shall not exceed
4 5,000 ~~2,000~~ kilowatts in nameplate capacity in total. Any
5 eligible renewable electrical generating facility or community
6 renewable generation project that is powered by photovoltaic
7 electric energy and installed after the effective date of this
8 amendatory Act of the 99th General Assembly must be installed
9 by a qualified person in compliance with the requirements of
10 Section 16-128A of the Public Utilities Act and any rules or
11 regulations adopted thereunder.

12 (2) Notwithstanding anything to the contrary, an
13 electricity provider shall provide credits for the electricity
14 produced by the projects described in paragraph (1) of this
15 subsection (1). The electricity provider shall provide credits
16 that include at least energy supply, capacity, transmission,
17 and, if applicable, the purchased energy adjustment ~~at the~~
18 ~~subscriber's energy supply rate~~ on the subscriber's monthly
19 bill equal to the subscriber's share of the production of
20 electricity from the project, as determined by paragraph (3)
21 of this subsection (1). For customers with transmission or
22 capacity charges not charged on a kilowatt-hour basis, the
23 electricity provider shall prepare a reasonable approximation
24 of the kilowatt-hour equivalent value and provide that value
25 as a monetary credit. The electricity provider shall submit
26 these approximation methodologies to the Commission for

1 review, modification, and approval. Notwithstanding anything
2 to the contrary, customers on payment plans or participating
3 in budget billing programs shall have credits applied on a
4 monthly basis.

5 (3) Notwithstanding anything to the contrary and
6 regardless of whether a subscriber to an eligible community
7 renewable generation project receives power and energy service
8 from the electric utility or an alternative retail electric
9 supplier, for projects eligible under paragraph (C) of
10 subparagraph (1) of this subsection (1), electric utilities
11 servicing more than 200,000 customers as of January 1, 2021
12 shall provide the monetary credits to a subscriber's
13 subsequent bill for the electricity produced by community
14 renewable generation projects. The electric utility shall
15 provide monetary credits to a subscriber's subsequent bill at
16 the utility's total price to compare equal to the subscriber's
17 share of the production of electricity from the project, as
18 determined by paragraph (5) of this subsection (1). For the
19 purposes of this subsection, "total price to compare" means
20 the rate or rates published by the Illinois Commerce
21 Commission for energy supply for eligible customers receiving
22 supply service from the electric utility, and shall include
23 energy, capacity, transmission, and the purchased energy
24 adjustment. Notwithstanding anything to the contrary,
25 customers on payment plans or participating in budget billing
26 programs shall have credits applied on a monthly basis. Any

1 applicable credit or reduction in load obligation from the
2 production of the community renewable generating projects
3 receiving a credit under this subsection shall be credited to
4 the electric utility to offset the cost of providing the
5 credit. To the extent that the credit or load obligation
6 reduction does not completely offset the cost of providing the
7 credit to subscribers of community renewable generation
8 projects as described in this subsection, the electric utility
9 may recover the remaining costs through its Multi-Year Rate
10 Plan. All electric utilities serving 200,000 or fewer
11 customers as of January 1, 2021 shall only provide the
12 monetary credits to a subscriber's subsequent bill for the
13 electricity produced by community renewable generation
14 projects if the subscriber receives power and energy service
15 from the electric utility. Alternative retail electric
16 suppliers providing power and energy service to a subscriber
17 located within the service territory of an electric utility
18 not subject to Sections 16-108.18 and 16-118 shall provide the
19 monetary credits to the subscriber's subsequent bill for the
20 electricity produced by community renewable generation
21 projects.

22 (4) If requested by the owner or operator of a community
23 renewable generating project, an electric utility serving more
24 than 200,000 customers as of January 1, 2021 shall enter into a
25 net crediting agreement with the owner or operator to include
26 a subscriber's subscription fee on the subscriber's monthly

1 electric bill and provide the subscriber with a net credit
2 equivalent to the total bill credit value for that generation
3 period minus the subscription fee, provided the subscription
4 fee is structured as a fixed percentage of bill credit value.
5 The net crediting agreement shall set forth payment terms from
6 the electric utility to the owner or operator of the community
7 renewable generating project, and the electric utility may
8 charge a net crediting fee to the owner or operator of a
9 community renewable generating project that may not exceed 2%
10 of the bill credit value. Notwithstanding anything to the
11 contrary, an electric utility serving 200,000 customers or
12 fewer as of January 1, 2021 shall not be obligated to enter
13 into a net crediting agreement with the owner or operator of a
14 community renewable generating project.

15 (5) ~~(3)~~ For the purposes of facilitating net metering, the
16 owner or operator of the eligible renewable electrical
17 generating facility or community renewable generation project
18 shall be responsible for determining the amount of the credit
19 that each customer or subscriber participating in a project
20 under this subsection (1) is to receive in the following
21 manner:

22 (A) The owner or operator shall, on a monthly basis,
23 provide to the electric utility the kilowatthours of
24 generation attributable to each of the utility's retail
25 customers and subscribers participating in projects under
26 this subsection (1) in accordance with the customer's or

1 subscriber's share of the eligible renewable electric
2 generating facility's or community renewable generation
3 project's output of power and energy for such month. The
4 owner or operator shall electronically transmit such
5 calculations and associated documentation to the electric
6 utility, in a format or method set forth in the applicable
7 tariff, on a monthly basis so that the electric utility
8 can reflect the monetary credits on customers' and
9 subscribers' electric utility bills. The electric utility
10 shall be permitted to revise its tariffs to implement the
11 provisions of this amendatory Act of the 102nd General
12 Assembly ~~this amendatory Act of the 99th General Assembly~~.
13 The owner or operator shall separately provide the
14 electric utility with the documentation detailing the
15 calculations supporting the credit in the manner set forth
16 in the applicable tariff.

17 (B) For those participating customers and subscribers
18 who receive their energy supply from an alternative retail
19 electric supplier, the electric utility shall remit to the
20 applicable alternative retail electric supplier the
21 information provided under subparagraph (A) of this
22 paragraph (3) for such customers and subscribers in a
23 manner set forth in such alternative retail electric
24 supplier's net metering program, or as otherwise agreed
25 between the utility and the alternative retail electric
26 supplier. The alternative retail electric supplier shall

1 then submit to the utility the amount of the charges for
2 power and energy to be applied to such customers and
3 subscribers, including the amount of the credit associated
4 with net metering.

5 (C) A participating customer or subscriber may provide
6 authorization as required by applicable law that directs
7 the electric utility to submit information to the owner or
8 operator of the eligible renewable electrical generating
9 facility or community renewable generation project to
10 which the customer or subscriber has an ownership or
11 leasehold interest or a subscription. Such information
12 shall be limited to the components of the net metering
13 credit calculated under this subsection (1), including the
14 bill credit rate, total kilowatthours, and total monetary
15 credit value applied to the customer's or subscriber's
16 bill for the monthly billing period.

17 (1-5) Within 90 days after the effective date of this
18 ~~amendatory Act of the 102nd General Assembly this amendatory~~
19 ~~Act of the 99th General Assembly~~, each electric utility
20 subject to this Section shall file a tariff or tariffs to
21 implement the provisions of subsection (1) of this Section,
22 which shall, consistent with the provisions of subsection (1),
23 describe the terms and conditions under which owners or
24 operators of qualifying properties, units, or apartments may
25 participate in net metering. The Commission shall approve, or
26 approve with modification, the tariff within 120 days after

1 the effective date of this amendatory Act of the 102nd General
2 Assembly ~~this amendatory Act of the 99th General Assembly.~~

3 (m) Nothing in this Section shall affect the right of an
4 electricity provider to continue to provide, or the right of a
5 retail customer to continue to receive service pursuant to a
6 contract for electric service between the electricity provider
7 and the retail customer in accordance with the prices, terms,
8 and conditions provided for in that contract. Either the
9 electricity provider or the customer may require compliance
10 with the prices, terms, and conditions of the contract.

11 (n) On and after January 1, 2025 ~~At such time, if any, that~~
12 ~~the load of the electricity provider's net metering customers~~
13 ~~equals 5% of the total peak demand supplied by that~~
14 ~~electricity provider during the previous year, as specified in~~
15 ~~subsection (j) of this Section,~~ the net metering services
16 described in subsections (d), (d-5), and (e), ~~(e-5), and (f)~~
17 of this Section shall no longer be offered, except as to those
18 eligible renewable electrical generating facilities for which
19 retail customers ~~that~~ are receiving net metering service under
20 these subsections at the time the net metering services under
21 those subsections are no longer offered; those systems shall
22 continue to receive net metering services described in
23 subsections (d), (d-5), and (e) of this Section for the
24 lifetime of the system, regardless of if those retail
25 customers change electricity providers or whether the retail
26 customer benefiting from the system changes. The electric

1 utility serving more than 200,000 customers as of January 1,
2 2021 is responsible for ensuring the billing credits continue
3 without lapse for the lifetime of systems, as required in
4 subsection (o). Those retail customers that begin taking net
5 metering service after the date that net metering services are
6 no longer offered under such subsections shall be subject to
7 the provisions set forth in the following paragraphs (1)
8 through (3) of this subsection (n):

9 (1) An electricity provider shall charge or credit for
10 the net electricity supplied to eligible customers or
11 provided by eligible customers whose electric supply
12 service is not provided based on hourly pricing in the
13 following manner:

14 (A) If the amount of electricity used by the
15 customer during the monthly billing period exceeds the
16 amount of electricity produced by the customer, then
17 the electricity provider shall charge the customer for
18 the net kilowatt-hour based electricity charges
19 reflected in the customer's electric service rate
20 supplied to and used by the customer as provided in
21 paragraph (3) of this subsection (n).

22 (B) If the amount of electricity produced by a
23 customer during the monthly billing period exceeds the
24 amount of electricity used by the customer during that
25 billing period, then the electricity provider
26 supplying that customer shall apply a 1:1

1 kilowatt-hour energy or monetary credit kilowatt-hour
2 supply charges to the customer's subsequent bill. The
3 customer shall choose between 1:1 kilowatt-hour or
4 monetary credit at the time of application. For the
5 purposes of this subsection, "kilowatt-hour supply
6 charges" means the kilowatt-hour equivalent values for
7 energy, capacity, transmission, and the purchased
8 energy adjustment, if applicable. Notwithstanding
9 anything to the contrary, customers on payment plans
10 or participating in budget billing programs shall have
11 credits applied on a monthly basis. ~~that reflects the~~
12 ~~kilowatt-hour based energy charges in the customer's~~
13 ~~electric service rate to a subsequent bill for service~~
14 ~~to the customer for the net electricity supplied to~~
15 ~~the electricity provider.~~ The electricity provider
16 shall continue to carry over any excess kilowatt-hour
17 or monetary energy credits earned and apply those
18 credits to subsequent billing periods. For customers
19 with transmission or capacity charges not charged on a
20 kilowatt-hour basis, the electricity provider shall
21 prepare a reasonable approximation of the
22 kilowatt-hour equivalent value and provide that value
23 as a monetary credit. The electricity provider shall
24 submit these approximation methodologies to the
25 Commission for review, modification, and approval. ~~to~~
26 ~~offset any customer generator consumption in those~~

1 ~~billing periods until all credits are used or until~~
2 ~~the end of the annualized period.~~

3 (C) (Blank). ~~At the end of the year or annualized~~
4 ~~over the period that service is supplied by means of~~
5 ~~net metering, or in the event that the retail customer~~
6 ~~terminates service with the electricity provider prior~~
7 ~~to the end of the year or the annualized period, any~~
8 ~~remaining credits in the customer's account shall~~
9 ~~expire.~~

10 (2) An electricity provider shall charge or credit for
11 the net electricity supplied to eligible customers or
12 provided by eligible customers whose electric supply
13 service is provided based on hourly pricing in the
14 following manner:

15 (A) If the amount of electricity used by the
16 customer during any hourly period exceeds the amount
17 of electricity produced by the customer, then the
18 electricity provider shall charge the customer for the
19 net electricity supplied to and used by the customer
20 as provided in paragraph (3) of this subsection (n).

21 (B) If the amount of electricity produced by a
22 customer during any hourly period exceeds the amount
23 of electricity used by the customer during that hourly
24 period, the energy provider shall calculate an energy
25 credit for the net kilowatt-hours produced in such
26 period, and shall apply that credit as a monetary

1 credit to the customer's subsequent bill. The value of
2 the energy credit shall be calculated using the same
3 price per kilowatt-hour as the electric service
4 provider would charge for kilowatt-hour energy sales
5 during that same hourly period and shall also include
6 values for capacity and transmission. For customers
7 with transmission or capacity charges not charged on a
8 kilowatt-hour basis, the electricity provider shall
9 prepare a reasonable approximation of the
10 kilowatt-hour equivalent value and provide that value
11 as a monetary credit. The electricity provider shall
12 submit these approximation methodologies to the
13 Commission for review, modification, and approval.
14 Notwithstanding anything to the contrary, customers on
15 payment plans or participating in budget billing
16 programs shall have credits applied on a monthly
17 basis.

18 (3) An electricity provider shall provide electric
19 service to eligible customers who utilize net metering at
20 non-discriminatory rates that are identical, with respect
21 to rate structure, retail rate components, and any monthly
22 charges, to the rates that the customer would be charged
23 if not a net metering customer. An electricity provider
24 shall charge the customer for the net electricity supplied
25 to and used by the customer according to the terms of the
26 contract or tariff to which the same customer would be

1 assigned or be eligible for if the customer was not a net
2 metering customer. An electricity provider shall not
3 charge net metering customers any fee or charge or require
4 additional equipment, insurance, or any other requirements
5 not specifically authorized by interconnection standards
6 authorized by the Commission, unless the fee, charge, or
7 other requirement would apply to other similarly situated
8 customers who are not net metering customers. ~~The charge~~
9 ~~or credit that the customer receives for net electricity~~
10 ~~shall be at a rate equal to the customer's energy supply~~
11 ~~rate.~~ The customer remains responsible for the gross
12 amount of delivery services charges, supply-related
13 charges that are kilowatt based, and all taxes and fees
14 related to such charges. The customer also remains
15 responsible for all taxes and fees that would otherwise be
16 applicable to the net amount of electricity used by the
17 customer. Paragraphs (1) and (2) of this subsection (n)
18 shall not be construed to prevent an arms-length agreement
19 between an electricity provider and an eligible customer
20 that sets forth different prices, terms, and conditions
21 for the provision of net metering service, including, but
22 not limited to, the provision of the appropriate metering
23 equipment for non-residential customers. Nothing in this
24 paragraph (3) shall be interpreted to mandate that a
25 utility that is only required to provide delivery services
26 to a given customer must also sell electricity to such

1 customer.

2 (o) Within 90 days after the effective date of this
3 amendatory Act of the 102nd General Assembly, each electric
4 utility subject to this Section shall file a tariff, which
5 shall, consistent with the provisions of this Section, propose
6 the terms and conditions under which a customer may
7 participate in net metering. The tariff for electric utilities
8 serving more than 200,000 customers as of January 1, 2021
9 shall also provide a streamlined and transparent bill
10 crediting system for net metering to be managed by the
11 electric utilities. The terms and conditions shall include,
12 but are not limited to, that an electric utility shall manage
13 and maintain billing of net metering credits and charges
14 regardless of if the eligible customer takes net metering
15 under an electric utility or alternative retail electric
16 supplier. The electric utility serving more than 200,000
17 customers as of January 1, 2021 shall process and approve all
18 net metering applications, even if an eligible customer is
19 served by an alternative retail electric supplier; and the
20 utility shall forward application approval to the appropriate
21 alternative retail electric supplier. Eligibility for net
22 metering shall remain with the owner of the utility billing
23 address such that, if an eligible renewable electrical
24 generating facility changes ownership, the net metering
25 eligibility transfers to the new owner. The electric utility
26 serving more than 200,000 customers as of January 1, 2021

1 shall manage net metering billing for eligible customers to
2 ensure full crediting occurs on electricity bills, including,
3 but not limited to, ensuring net metering crediting begins
4 upon commercial operation date, net metering billing transfers
5 immediately if an eligible customer switches from an electric
6 utility to alternative retail electric supplier or vice versa,
7 and net metering billing transfers between ownership of a
8 valid billing address. All transfers referenced in the
9 preceding sentence shall include transfer of all banked
10 credits. All electric utilities serving 200,000 or fewer
11 customers as of January 1, 2021 shall manage net metering
12 billing for eligible customers receiving power and energy
13 service from the electric utility to ensure full crediting
14 occurs on electricity bills, ensuring net metering crediting
15 begins upon commercial operation date, net metering billing
16 transfers immediately if an eligible customer switches from an
17 electric utility to alternative retail electric supplier or
18 vice versa, and net metering billing transfers between
19 ownership of a valid billing address. Alternative retail
20 electric suppliers providing power and energy service to
21 eligible customers located within the service territory of an
22 electric utility serving 200,000 or fewer customers as of
23 January 1, 2021 shall manage net metering billing for eligible
24 customers to ensure full crediting occurs on electricity
25 bills, including, but not limited to, ensuring net metering
26 crediting begins upon commercial operation date, net metering

1 billing transfers immediately if an eligible customer switches
2 from an electric utility to alternative retail electric
3 supplier or vice versa, and net metering billing transfers
4 between ownership of a valid billing address.

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

6 (220 ILCS 5/16-107.6)

7 Sec. 16-107.6. Distributed generation rebate.

8 (a) In this Section:

9 "Additive services" means the services that distributed
10 energy resources provide to the energy system and society that
11 are not (1) already included in the base rebates for
12 system-wide grid services; or (2) otherwise already
13 compensated. Additive services may reflect, but shall not be
14 limited to, any geographic, time-based, performance-based, and
15 other benefits of distributed energy resources, as well as the
16 present and future technological capabilities of distributed
17 energy resources and present and future grid needs.

18 "Distributed energy resource" means a wide range of
19 technologies that are located on the customer side of the
20 customer's electric meter, including, but not limited to,
21 distributed generation, energy storage, electric vehicles, and
22 demand response technologies.

23 "Energy storage system" means commercially available
24 technology that is capable of absorbing energy and storing it
25 for a period of time for use at a later time, including, but

1 not limited to, electrochemical, thermal, and
2 electromechanical technologies, and may be interconnected
3 behind the customer's meter or interconnected behind its own
4 meter.

5 "Smart inverter" means a device that converts direct
6 current into alternating current and meets the IEEE 1547-2018
7 equipment standards. Until devices that meet the IEEE
8 1547-2018 standard are available, devices that meet the UL
9 1741 SA standard are acceptable. ~~can autonomously contribute~~
10 ~~to grid support during excursions from normal operating~~
11 ~~voltage and frequency conditions by providing each of the~~
12 ~~following: dynamic reactive and real power support, voltage~~
13 ~~and frequency ride-through, ramp rate controls, communication~~
14 ~~systems with ability to accept external commands, and other~~
15 ~~functions from the electric utility.~~

16 "Subscriber" has the meaning set forth in Section 1-10 of
17 the Illinois Power Agency Act.

18 "Subscription" has the meaning set forth in Section 1-10
19 of the Illinois Power Agency Act.

20 "System-wide grid services" means the benefits that a
21 distributed energy resource provides to the distribution grid
22 for a period of no less than 25 years. System-wide grid
23 services do not vary by location, time, or the performance
24 characteristics of the distributed energy resource.
25 System-wide grid services include, but are not limited to,
26 avoided or deferred distribution capacity costs, resilience

1 and reliability benefits, avoided or deferred distribution
2 operation and maintenance costs, distribution voltage and
3 power quality benefits, and line loss reductions.

4 "Threshold date" means December 31, 2024 or the date on
5 which the utility's tariff or tariffs setting the new
6 compensation values established under subsection (e) take
7 effect, whichever is later. ~~the load of an electricity~~
8 ~~provider's net metering customers equals 5% of the total peak~~
9 ~~demand supplied by that electricity provider during the~~
10 ~~previous year, as specified under subsection (j) of Section~~
11 ~~16-107.5 of this Act.~~

12 (b) An electric utility that serves more than 200,000
13 customers in the State shall file a petition with the
14 Commission requesting approval of the utility's tariff to
15 provide a rebate to the owner or operator of ~~a retail customer~~
16 ~~who owns or operates~~ distributed generation, including
17 third-party owned systems, that meets the following criteria:

18 (1) has a nameplate generating capacity no greater
19 than 5,000 ~~2,000~~ kilowatts and is primarily used to offset
20 a ~~that~~ customer's electricity load;

21 (2) is located on the customer's side of the billing
22 meter and premises, ~~for the customer's own use, and not~~
23 ~~for commercial use or sales, including, but not limited~~
24 ~~to, wholesale sales of electric power and energy;~~

25 ~~(3) is located in the electric utility's service~~
26 ~~territory; and~~

1 (3) (4) is interconnected to electric distribution
2 facilities owned by the electric utility under rules
3 adopted by the Commission by means of the inverter or
4 smart inverter required by this Section, as applicable.

5 For purposes of this Section, "distributed generation"
6 shall satisfy the definition of distributed renewable energy
7 generation device set forth in Section 1-10 of the Illinois
8 Power Agency Act to the extent such definition is consistent
9 with the requirements of this Section.

10 In addition, any new photovoltaic distributed generation
11 that is installed after June 1, 2017 (the effective date of
12 Public Act 99-906) ~~this amendatory Act of the 99th General~~
13 ~~Assembly~~ must be installed by a qualified person, as defined
14 by subsection (i) of Section 1-56 of the Illinois Power Agency
15 Act.

16 The tariff shall include a base rebate that compensates
17 distributed generation for the system-wide grid services
18 associated with distributed generation and, after the
19 proceeding described in subsection (e) of this Section, an
20 additional payment or payments for the additive services. The
21 tariff shall provide that the smart inverter associated with
22 the distributed generation shall provide autonomous response
23 to grid conditions through its default settings as approved by
24 the Commission. Default settings may not be changed after the
25 execution of the interconnection agreement except by mutual
26 agreement between the utility and the owner or operator of the

1 ~~distributed generation. provide that the utility shall be~~
2 ~~permitted to operate and control the smart inverter associated~~
3 ~~with the distributed generation that is the subject of the~~
4 ~~rebate for the purpose of preserving reliability during~~
5 ~~distribution system reliability events and shall address the~~
6 ~~terms and conditions of the operation and the compensation~~
7 ~~associated with the operation.~~ Nothing in this Section shall
8 negate or supersede Institute of Electrical and Electronics
9 Engineers equipment interconnection requirements or standards
10 or other similar standards or requirements. The tariff shall
11 not limit the ability of the smart inverter or other
12 distributed energy resource to provide wholesale market
13 products such as regulation, demand response, or other
14 services, or limit the ability of the owner of the smart
15 inverter or the other distributed energy resource to receive
16 compensation for providing those wholesale market products or
17 services. ~~The tariff shall also provide for additional uses of~~
18 ~~the smart inverter that shall be separately compensated and~~
19 ~~which may include, but are not limited to, voltage and VAR~~
20 ~~support, regulation, and other grid services. As part of the~~
21 ~~proceeding described in subsection (c) of this Section, the~~
22 ~~Commission shall review and determine whether smart inverters~~
23 ~~can provide any additional uses or services. If the Commission~~
24 ~~determines that an additional use or service would be~~
25 ~~beneficial, the Commission shall determine the terms and~~
26 ~~conditions of the operation and how the use or service should~~

1 ~~be separately compensated.~~

2 (b-5) Within 30 days after the effective date of this
3 amendatory Act of the 102nd General Assembly, each electric
4 public utility with 3,000,000 or more retail customers shall
5 file a tariff with the Commission that further compensates any
6 retail customer that installs or has installed photovoltaic
7 facilities paired with energy storage facilities on or
8 adjacent to its premises for the benefits the facilities
9 provide to the distribution grid. The tariff shall provide
10 that, in addition to the other rebates identified in this
11 Section, the electric utility shall rebate to such retail
12 customer (i) the previously incurred and future costs of
13 installing interconnection facilities and related
14 infrastructure to enable full participation in the PJM
15 Interconnection, LLC or its successor organization frequency
16 regulation market; and (ii) all wholesale demand charges
17 incurred after the effective date of this amendatory Act of
18 the 102nd General Assembly. The Commission shall approve, or
19 approve with modification, the tariff within 120 days after
20 the utility's filing.

21 (c) The proposed tariff authorized by subsection (b) of
22 this Section shall include the following participation terms
23 ~~for and formulae to calculate the value of the~~ rebates to be
24 applied under this Section for distributed generation that
25 satisfies the criteria set forth in subsection (b) of this
26 Section:

1 (1) The owner or operator of distributed generation
2 that services ~~(1) Until the utility files its tariff or~~
3 ~~tariffs to place into effect the rebate values established~~
4 ~~by the Commission under subsection (e) of this Section,~~
5 ~~non residential~~ customers not eligible for net metering
6 under subsection (d), (d-5), or (e) of Section 16-107.5 of
7 this Act that are taking service under a net metering
8 ~~program offered by an electricity provider under the terms~~
9 ~~of Section 16-107.5 of this Act~~ may apply for a rebate as
10 provided for in this Section. Until the threshold date,
11 the ~~The~~ value of the rebate shall be \$250 per kilowatt of
12 nameplate generating capacity, measured as nominal DC
13 power output, of that ~~a non-residential~~ customer's
14 distributed generation. To the extent the distributed
15 generation also has an associated energy storage, then the
16 energy storage system shall be separately compensated with
17 a base rebate of \$250 per kilowatt-hour of nameplate
18 capacity. Any distributed generation device that is
19 compensated for storage in this subsection (1) before the
20 threshold date shall participate in one or more programs
21 determined through the Multi-Year Integrated Grid Planning
22 process that are designed to meet peak reduction and
23 flexibility. After the threshold date, the value of the
24 base rebate and additional compensation for any additive
25 services shall be as determined by the Commission in the
26 proceeding described in subsection (e) of this Section,

1 provided that the value of the base rebate for system-wide
2 grid services shall not be lower than \$250 per kilowatt of
3 nameplate generating capacity of distributed generation or
4 community renewable generation project.

5 (2) The owner or operator of distributed generation
6 that, before the threshold date, would have been eligible
7 for net metering under subsection (d), (d-5), or (e) of
8 Section 16-107.5 of this Act and that has not previously
9 received a distributed generation rebate, may apply for a
10 rebate as provided for in this Section. Until the
11 threshold date, the value of the base rebate shall be \$300
12 per kilowatt of nameplate generating capacity, measured as
13 nominal DC power output, of the distributed generation.
14 The owner or operator of distributed generation that,
15 before the threshold date, is eligible for net metering
16 under subsection (d), (d-5), or (e) of Section 16-107.5 of
17 this Act may apply for a base rebate for an energy storage
18 device that uses the same smart inverter as the
19 distributed generation, regardless of whether the
20 distributed generation applies for a rebate for the
21 distributed generation device. The energy storage system
22 shall be separately compensated at a base payment of \$300
23 per kilowatt-hour of nameplate capacity. Any distributed
24 generation device that is compensated for storage in this
25 subsection (2) before the threshold date shall participate
26 in a peak time rebate program, hourly pricing program, or

1 time-of-use rate program offered by the applicable
2 electric utility. After the threshold date, the value of
3 the base rebate and additional compensation for any
4 additive services shall be as determined by the Commission
5 in the proceeding described in subsection (e) of this
6 Section, provided that, prior to December 31, 2029, the
7 value of the base rebate for system-wide services shall
8 not be lower than \$300 per kilowatt of nameplate
9 generating capacity of distributed generation, after which
10 it shall not be lower than \$250 per kilowatt of nameplate
11 capacity.

12 ~~(2) After the utility's tariff or tariffs setting the~~
13 ~~new rebate values established under subsection (d) of this~~
14 ~~Section take effect, retail customers may, as applicable,~~
15 ~~make the following elections:~~

16 ~~(A) Residential customers that are taking service~~
17 ~~under a net metering program offered by an electricity~~
18 ~~provider under the terms of Section 16-107.5 of this~~
19 ~~Act on the threshold date may elect to either continue~~
20 ~~to take such service under the terms of such program as~~
21 ~~in effect on such threshold date for the useful life of~~
22 ~~the customer's eligible renewable electric generating~~
23 ~~facility as defined in such Section, or file an~~
24 ~~application to receive a rebate under the terms of~~
25 ~~this Section, provided that such application must be~~
26 ~~submitted within 6 months after the effective date of~~

1 ~~the tariff approved under subsection (d) of this~~
2 ~~Section. The value of the rebate shall be the amount~~
3 ~~established by the Commission and reflected in the~~
4 ~~utility's tariff pursuant to subsection (e) of this~~
5 ~~Section.~~

6 ~~(B) Non residential customers that are taking~~
7 ~~service under a net metering program offered by an~~
8 ~~electricity provider under the terms of Section~~
9 ~~16-107.5 of this Act on the threshold date may apply~~
10 ~~for a rebate as provided for in this Section. The value~~
11 ~~of the rebate shall be the amount established by the~~
12 ~~Commission and reflected in the utility's tariff~~
13 ~~pursuant to subsection (e) of this Section.~~

14 (3) Upon approval of a rebate application submitted
15 under this subsection (c), the retail customer shall no
16 longer be entitled to receive any delivery service credits
17 for the excess electricity generated by its facility and
18 shall be subject to the provisions of subsection (n) of
19 Section 16-107.5 of this Act.

20 (4) To be eligible for a rebate described in this
21 subsection (c), the owner or operator of the distributed
22 generation ~~customers who begin taking service after the~~
23 ~~effective date of this amendatory Act of the 99th General~~
24 ~~Assembly under a net metering program offered by an~~
25 ~~electricity provider under the terms of Section 16-107.5~~
26 ~~of this Act~~ must have a smart inverter installed and in

1 operation on the ~~associated with the customer's~~
2 distributed generation.

3 (d) The Commission shall review the proposed tariff
4 authorized by subsection ~~submitted under subsections~~ (b) and
5 ~~(e)~~ of this Section and may make changes to the tariff that are
6 consistent with this Section and with the Commission's
7 authority under Article IX of this Act, subject to notice and
8 hearing. Following notice and hearing, the Commission shall
9 issue an order approving, or approving with modification, such
10 tariff no later than 240 days after the utility files its
11 tariff. Upon the effective date of this amendatory Act of the
12 102nd General Assembly, an electric utility shall file a
13 petition with the Commission to amend and update any existing
14 tariffs to comply with subsections (b) and (c).

15 (e) By no later than June 30, 2023, ~~when the total~~
16 ~~generating capacity of the electricity provider's net metering~~
17 ~~customers is equal to 3%,~~ the Commission shall open an
18 independent, statewide investigation into the value of, and
19 compensation for, distributed energy resources. The Commission
20 shall conduct the investigation, but may arrange for experts
21 or consultants independent of the utilities and selected by
22 the Commission to assist with the investigation. The cost of
23 the investigation shall be shared by the utilities filing
24 tariffs under subsection (b) of this Section but may be
25 recovered as an expense through normal ratemaking procedures.
26 ~~an annual process and formula for calculating the value of~~

1 ~~rebates for the retail customers described in subsections (b)~~
2 ~~and (f) of this Section that submit rebate applications after~~
3 ~~the threshold date for an electric utility that elected to~~
4 ~~file a tariff pursuant to this Section.~~

5 (1) The Commission shall ensure that the investigation
6 includes, at minimum, diverse sets of stakeholders; a
7 review of best practices in calculating the value of
8 distributed energy resource benefits; a review of the full
9 value of the distributed energy resources and the manner
10 in which each component of that value is or is not
11 otherwise compensated; and assessments of how the value of
12 distributed energy resources may evolve based on the
13 present and future technological capabilities of
14 distributed energy resources and based on present and
15 future grid needs.

16 (2) The Commission's final order concluding this
17 investigation shall establish an annual process and
18 formula for the compensation of distributed generation and
19 energy storage systems, and an initial set of inputs for
20 that formula. The Commission's final order concluding this
21 investigation shall establish base rebates that compensate
22 distributed generation, community renewable generation
23 projects and energy storage systems for the system-wide
24 grid services that they provide. Those base rebate values
25 shall be consistent across the state, and shall not vary
26 by customer, customer class, customer location, or any

1 other variable. With respect to rebates for distributed
2 generation or community renewable generation projects,
3 that rebate shall not be lower than \$250 per kilowatt of
4 nameplate generating capacity of the distributed
5 generation or community renewable generation project. The
6 Commission's final order concluding this proceeding shall
7 also direct the utilities to update the formula, on an
8 annual basis, with inputs derived from their integrated
9 grid plans developed pursuant to Section 16-105.17. The
10 base rebate shall be updated annually based on the annual
11 updates to the formula inputs, but, with respect to
12 rebates for distributed generation or community renewable
13 generation projects, shall be no lower than \$250 per
14 kilowatt of nameplate generating capacity of the
15 distributed generation or community renewable generation
16 project.

17 (3) The Commission shall also determine, as a part of
18 its investigation under this subsection, whether
19 distributed energy resources can provide any additive
20 services. Those additive services may include services
21 that are provided through utility-controlled responses to
22 grid conditions. If the Commission determines that
23 distributed energy resources can provide additive grid
24 services, the Commission shall determine the terms and
25 conditions for the operation and compensation of those
26 services. That compensation shall be above and beyond the

1 base rebate that the distributed energy generation,
2 community renewable generation project and energy storage
3 system receives. Compensation for additive services may
4 vary by location, time, performance characteristics,
5 technology types, or other variables.

6 (4) The Commission shall ensure that compensation for
7 distributed energy resources, including base rebates and
8 any payments for additive services, shall reflect all
9 reasonably known and measurable values of the distributed
10 generation over its full expected useful life.
11 Compensation for additive services shall reflect, but
12 shall not be limited to, any geographic, time-based,
13 performance-based, and other benefits of distributed
14 generation, as well as the present and future
15 technological capabilities of distributed energy resources
16 and present and future grid needs.

17 (5) The Commission shall consider the electric
18 utility's integrated grid plan developed pursuant to
19 Section 16-105.17 of this Act to help identify the value
20 of distributed energy resources for the purpose of
21 calculating the compensation described in this subsection.

22 (6) The Commission shall determine additional
23 compensation for distributed energy resources that creates
24 savings and value on the distribution system by being
25 co-located or in close proximity to electric vehicle
26 charging infrastructure in use by medium-duty and

1 heavy-duty vehicles, primarily serving environmental
2 justice communities, as outlined in the utility integrated
3 grid planning process under Section 16-105.17 of this Act.

4 No later than 60 days after the Commission enters its
5 final order under this subsection (e), each utility shall file
6 its updated tariff or tariffs in compliance with the order,
7 including new tariffs for the recovery of costs incurred under
8 this subsection (e) that shall provide for volumetric-based
9 cost recovery, and the Commission shall approve, or approve
10 with modification, the tariff or tariffs within 240 days after
11 the utility's filing.

12 ~~The investigation shall include diverse sets of~~
13 ~~stakeholders, calculations for valuing distributed energy~~
14 ~~resource benefits to the grid based on best practices, and~~
15 ~~assessments of present and future technological capabilities~~
16 ~~of distributed energy resources. The value of such rebates~~
17 ~~shall reflect the value of the distributed generation to the~~
18 ~~distribution system at the location at which it is~~
19 ~~interconnected, taking into account the geographic,~~
20 ~~time-based, and performance-based benefits, as well as~~
21 ~~technological capabilities and present and future grid needs.~~
22 ~~No later than 10 days after the Commission enters its final~~
23 ~~order under this subsection (e), the utility shall file its~~
24 ~~tariff or tariffs in compliance with the order, and the~~
25 ~~Commission shall approve, or approve with modification, the~~
26 ~~tariff or tariffs within 45 days after the utility's filing.~~

1 ~~For those rebate applications filed after the threshold date~~
2 ~~but before the utility's tariff or tariffs filed pursuant to~~
3 ~~this subsection (c) take effect, the value of the rebate shall~~
4 ~~remain at the value established in subsection (c) of this~~
5 ~~Section until the tariff is approved.~~

6 (f) Notwithstanding any provision of this Act to the
7 contrary, the owner or operator ~~, developer, or subscriber~~ of
8 a community renewable generation project as defined in Section
9 1-10 of the Illinois Power Agency Act ~~facility that is part of~~
10 ~~a net metering program provided under subsection (1) of~~
11 ~~Section 16-107.5~~ shall also be eligible to apply for the
12 rebate described in this Section. The owner or operator of the
13 community renewable ~~A subscriber to the generation project~~
14 ~~facility~~ may apply for a rebate ~~in the amount of the~~
15 ~~subscriber's subscription~~ only if the owner or operator, or
16 previous owner or operator, of the community renewable
17 generation project, ~~developer, or previous subscriber to the~~
18 ~~same panel or panels~~ has not already submitted an application,
19 and, regardless of whether the subscriber is a residential or
20 non-residential customer, may be allowed the amount identified
21 in paragraph (1) of subsection (c) ~~or in subsection (e) of this~~
22 ~~Section~~ applicable ~~to such customer~~ on the date that the
23 application is submitted. ~~An application for a rebate for a~~
24 ~~portion of a project described in this subsection (f) may be~~
25 ~~submitted at or after the time that a related request for net~~
26 ~~metering is made.~~

1 (g) The owner of the distributed generation or community
2 renewable generation project may apply for the rebate or
3 rebates approved under this Section at the time of execution
4 of an interconnection agreement with the distribution utility
5 and shall receive the value available at that time of
6 execution of the interconnection agreement, provided the
7 project reaches mechanical completion within 24 months after
8 execution of the interconnection agreement. If the project has
9 not reached mechanical completion within 24 months after
10 execution, the owner may reapply for the rebate or rebates
11 approved under this Section available at the time of
12 application and shall receive the value available at the time
13 of application. The utility shall issue the rebate no ~~no~~ later
14 than 60 days after the project is energized. ~~utility receives~~
15 ~~an application for a rebate under its tariff approved under~~
16 ~~subsection (d) or (e) of this Section, the utility shall issue~~
17 ~~a rebate to the applicant under the terms of the tariff.~~ In the
18 event the application is incomplete or the utility is
19 otherwise unable to calculate the payment based on the
20 information provided by the owner, the utility shall issue the
21 payment no later than 60 days after the application is
22 complete or all requested information is received.

23 (h) An electric utility shall recover from its retail
24 customers all of the costs of the rebates made under a tariff
25 or tariffs approved under subsection (d) of ~~placed into effect~~
26 ~~under~~ this Section, including, but not limited to, the value

1 of the rebates and all costs incurred by the utility to comply
2 with and implement subsections (b) and (c) of this Section,
3 but not including costs incurred by the utility to comply with
4 and implement subsection (e) of this Section, consistent with
5 the following provisions:

6 (1) The utility shall defer the full amount of its
7 costs ~~incurred under this Section~~ as a regulatory asset.
8 The total costs deferred as a regulatory asset shall be
9 amortized over a 15-year period. The unamortized balance
10 shall be recognized as of December 31 for a given year. The
11 utility shall also earn a return on the total of the
12 unamortized balance of the regulatory assets, less any
13 deferred taxes related to the unamortized balance, at an
14 annual rate equal to the utility's weighted average cost
15 of capital that includes, based on a year-end capital
16 structure, the utility's actual cost of debt for the
17 applicable calendar year and a cost of equity, which shall
18 be calculated as the sum of (i) the average for the
19 applicable calendar year of the monthly average yields of
20 30-year U.S. Treasury bonds published by the Board of
21 Governors of the Federal Reserve System in its weekly H.15
22 Statistical Release or successor publication; and (ii) 580
23 basis points, including a revenue conversion factor
24 calculated to recover or refund all additional income
25 taxes that may be payable or receivable as a result of that
26 return.

1 When an electric utility creates a regulatory asset
2 under the provisions of this paragraph (1) of subsection
3 (h) Section, the costs are recovered over a period during
4 which customers also receive a benefit, which is in the
5 public interest. Accordingly, it is the intent of the
6 General Assembly that an electric utility that elects to
7 create a regulatory asset under the provisions of this
8 paragraph (1) Section shall recover all of the associated
9 costs, including, but not limited to, its cost of capital
10 as set forth in this paragraph (1) Section. After the
11 Commission has approved the prudence and reasonableness of
12 the costs that comprise the regulatory asset, the electric
13 utility shall be permitted to recover all such costs, and
14 the value and recoverability through rates of the
15 associated regulatory asset shall not be limited, altered,
16 impaired, or reduced. To enable the financing of the
17 incremental capital expenditures, including regulatory
18 assets, for electric utilities that serve less than
19 3,000,000 retail customers but more than 500,000 retail
20 customers in the State, the utility's actual year-end
21 capital structure that includes a common equity ratio,
22 excluding goodwill, of up to and including 50% of the
23 total capital structure shall be deemed reasonable and
24 used to set rates.

25 (2) The utility, at its election, may recover all of
26 the costs ~~it incurs under this Section~~ as part of a filing

1 for a general increase in rates under Article IX of this
2 Act, as part of an annual filing to update a
3 performance-based formula rate under subsection (d) of
4 Section 16-108.5 of this Act, or through an automatic
5 adjustment clause tariff, provided that nothing in this
6 paragraph (2) permits the double recovery of such costs
7 from customers. If the utility elects to recover the costs
8 it incurs under subsections (b) and (c) ~~this Section~~
9 through an automatic adjustment clause tariff, the utility
10 may file its proposed tariff together with the tariff it
11 files under subsection (b) of this Section or at a later
12 time. The proposed tariff shall provide for an annual
13 reconciliation, less any deferred taxes related to the
14 reconciliation, with interest at an annual rate of return
15 equal to the utility's weighted average cost of capital as
16 calculated under paragraph (1) of this subsection (h),
17 including a revenue conversion factor calculated to
18 recover or refund all additional income taxes that may be
19 payable or receivable as a result of that return, of the
20 revenue requirement reflected in rates for each calendar
21 year, beginning with the calendar year in which the
22 utility files its automatic adjustment clause tariff under
23 this subsection (h), with what the revenue requirement
24 would have been had the actual cost information for the
25 applicable calendar year been available at the filing
26 date. The Commission shall review the proposed tariff and

1 may make changes to the tariff that are consistent with
2 this Section and with the Commission's authority under
3 Article IX of this Act, subject to notice and hearing.
4 Following notice and hearing, the Commission shall issue
5 an order approving, or approving with modification, such
6 tariff no later than 240 days after the utility files its
7 tariff.

8 (i) An electric utility shall recover from its retail
9 customers, on a volumetric basis, all of the costs of the
10 rebates made under a tariff or tariffs placed into effect
11 under subsection (e) of this Section, including, but not
12 limited to, the value of the rebates and all costs incurred by
13 the utility to comply with and implement subsection (e) of
14 this Section, consistent with the following provisions:

15 (1) The utility may defer a portion of its costs as a
16 regulatory asset. The Commission shall determine the
17 portion that may be appropriately deferred as a regulatory
18 asset. Factors that the Commission shall consider in
19 determining the portion of costs that shall be deferred as
20 a regulatory asset include, but are not limited to: (i)
21 whether and the extent to which a cost effectively
22 deferred or avoided other distribution system operating
23 costs or capital expenditures; (ii) the extent to which a
24 cost provides environmental benefits; (iii) the extent to
25 which a cost improves system reliability or resilience;
26 (iv) the electric utility's distribution system plan

1 developed pursuant to Section 16-105.17 of this Act; (v)
2 the extent to which a cost advances equity principles; and
3 (vi) such other factors as the Commission deems
4 appropriate. The remainder of costs shall be deemed an
5 operating expense and shall be recoverable if found
6 prudent and reasonable by the Commission.

7 The total costs deferred as a regulatory asset shall be
8 amortized over a 15-year period. The unamortized balance shall
9 be recognized as of December 31 for a given year. The utility
10 shall also earn a return on the total of the unamortized
11 balance of the regulatory assets, less any deferred taxes
12 related to the unamortized balance, at an annual rate equal to
13 the utility's weighted average cost of capital that includes,
14 based on a year-end capital structure, the utility's actual
15 cost of debt for the applicable calendar year and a cost of
16 equity, which shall be calculated as the sum of: (I) the
17 average for the applicable calendar year of the monthly
18 average yields of 30-year U.S. Treasury bonds published by the
19 Board of Governors of the Federal Reserve System in its weekly
20 H.15 Statistical Release or successor publication; and (II)
21 580 basis points, including a revenue conversion factor
22 calculated to recover or refund all additional income taxes
23 that may be payable or receivable as a result of that return.

24 (2) The utility may recover all of the costs through
25 an automatic adjustment clause tariff, on a volumetric
26 basis. The utility may file its proposed cost-recovery

1 tariff together with the tariff it files under subsection
2 (e) of this Section or at a later time. The proposed tariff
3 shall provide for an annual reconciliation, less any
4 deferred taxes related to the reconciliation, with
5 interest at an annual rate of return equal to the
6 utility's weighted average cost of capital as calculated
7 under paragraph (1) of this subsection (i), including a
8 revenue conversion factor calculated to recover or refund
9 all additional income taxes that may be payable or
10 receivable as a result of that return, of the revenue
11 requirement reflected in rates for each calendar year,
12 beginning with the calendar year in which the utility
13 files its automatic adjustment clause tariff under this
14 subsection (i), with what the revenue requirement would
15 have been had the actual cost information for the
16 applicable calendar year been available at the filing
17 date. The Commission shall review the proposed tariff and
18 may make changes to the tariff that are consistent with
19 this Section and with the Commission's authority under
20 Article IX of this Act, subject to notice and hearing.
21 Following notice and hearing, the Commission shall issue
22 an order approving, or approving with modification, such
23 tariff no later than 240 days after the utility files its
24 tariff.

25 (j) ~~(i)~~ No later than 90 days after the Commission enters
26 an order, or order on rehearing, whichever is later, approving

1 an electric utility's proposed tariff under ~~subsection (d) of~~
2 this Section, the electric utility shall provide notice of the
3 availability of rebates under this Section. ~~Subsequent to the~~
4 ~~utility's notice, any entity that offers in the State, for~~
5 ~~sale or lease, distributed generation and estimates the dollar~~
6 ~~saving attributable to such distributed generation shall~~
7 ~~provide estimates based on both delivery service credits and~~
8 ~~the rebates available under this Section.~~

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

10 (220 ILCS 5/16-108)

11 Sec. 16-108. Recovery of costs associated with the
12 provision of delivery and other services.

13 (a) An electric utility shall file a delivery services
14 tariff with the Commission at least 210 days prior to the date
15 that it is required to begin offering such services pursuant
16 to this Act. An electric utility shall provide the components
17 of delivery services that are subject to the jurisdiction of
18 the Federal Energy Regulatory Commission at the same prices,
19 terms and conditions set forth in its applicable tariff as
20 approved or allowed into effect by that Commission. The
21 Commission shall otherwise have the authority pursuant to
22 Article IX to review, approve, and modify the prices, terms
23 and conditions of those components of delivery services not
24 subject to the jurisdiction of the Federal Energy Regulatory
25 Commission, including the authority to determine the extent to

1 which such delivery services should be offered on an unbundled
2 basis. In making any such determination the Commission shall
3 consider, at a minimum, the effect of additional unbundling on
4 (i) the objective of just and reasonable rates, (ii) electric
5 utility employees, and (iii) the development of competitive
6 markets for electric energy services in Illinois.

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

12 (c) The electric utility's tariffs shall define the
13 classes of its customers for purposes of delivery services
14 charges. Delivery services shall be priced and made available
15 to all retail customers electing delivery services in each
16 such class on a nondiscriminatory basis regardless of whether
17 the retail customer chooses the electric utility, an affiliate
18 of the electric utility, or another entity as its supplier of
19 electric power and energy. Charges for delivery services shall
20 be cost based, and shall allow the electric utility to recover
21 the costs of providing delivery services through its charges
22 to its delivery service customers that use the facilities and
23 services associated with such costs. Such costs shall include
24 the costs of owning, operating and maintaining transmission
25 and distribution facilities. The Commission shall also be
26 authorized to consider whether, and if so to what extent, the

1 following costs are appropriately included in the electric
2 utility's delivery services rates: (i) the costs of that
3 portion of generation facilities used for the production and
4 absorption of reactive power in order that retail customers
5 located in the electric utility's service area can receive
6 electric power and energy from suppliers other than the
7 electric utility, and (ii) the costs associated with the use
8 and redispatch of generation facilities to mitigate
9 constraints on the transmission or distribution system in
10 order that retail customers located in the electric utility's
11 service area can receive electric power and energy from
12 suppliers other than the electric utility. Nothing in this
13 subsection shall be construed as directing the Commission to
14 allocate any of the costs described in (i) or (ii) that are
15 found to be appropriately included in the electric utility's
16 delivery services rates to any particular customer group or
17 geographic area in setting delivery services rates.

18 (d) The Commission shall establish charges, terms and
19 conditions for delivery services that are just and reasonable
20 and shall take into account customer impacts when establishing
21 such charges. In establishing charges, terms and conditions
22 for delivery services, the Commission shall take into account
23 voltage level differences. A retail customer shall have the
24 option to request to purchase electric service at any delivery
25 service voltage reasonably and technically feasible from the
26 electric facilities serving that customer's premises provided

1 that there are no significant adverse impacts upon system
2 reliability or system efficiency. A retail customer shall also
3 have the option to request to purchase electric service at any
4 point of delivery that is reasonably and technically feasible
5 provided that there are no significant adverse impacts on
6 system reliability or efficiency. Such requests shall not be
7 unreasonably denied.

8 (e) Electric utilities shall recover the costs of
9 installing, operating or maintaining facilities for the
10 particular benefit of one or more delivery services customers,
11 including without limitation any costs incurred in complying
12 with a customer's request to be served at a different voltage
13 level, directly from the retail customer or customers for
14 whose benefit the costs were incurred, to the extent such
15 costs are not recovered through the charges referred to in
16 subsections (c) and (d) of this Section.

17 (f) An electric utility shall be entitled but not required
18 to implement transition charges in conjunction with the
19 offering of delivery services pursuant to Section 16-104. If
20 an electric utility implements transition charges, it shall
21 implement such charges for all delivery services customers and
22 for all customers described in subsection (h), but shall not
23 implement transition charges for power and energy that a
24 retail customer takes from cogeneration or self-generation
25 facilities located on that retail customer's premises, if such
26 facilities meet the following criteria:

1 (i) the cogeneration or self-generation facilities
2 serve a single retail customer and are located on that
3 retail customer's premises (for purposes of this
4 subparagraph and subparagraph (ii), an industrial or
5 manufacturing retail customer and a third party contractor
6 that is served by such industrial or manufacturing
7 customer through such retail customer's own electrical
8 distribution facilities under the circumstances described
9 in subsection (vi) of the definition of "alternative
10 retail electric supplier" set forth in Section 16-102,
11 shall be considered a single retail customer);

12 (ii) the cogeneration or self-generation facilities
13 either (A) are sized pursuant to generally accepted
14 engineering standards for the retail customer's electrical
15 load at that premises (taking into account standby or
16 other reliability considerations related to that retail
17 customer's operations at that site) or (B) if the facility
18 is a cogeneration facility located on the retail
19 customer's premises, the retail customer is the thermal
20 host for that facility and the facility has been designed
21 to meet that retail customer's thermal energy requirements
22 resulting in electrical output beyond that retail
23 customer's electrical demand at that premises, comply with
24 the operating and efficiency standards applicable to
25 "qualifying facilities" specified in title 18 Code of
26 Federal Regulations Section 292.205 as in effect on the

1 effective date of this amendatory Act of 1999;

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

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

17 If a generation facility located at a retail customer's
18 premises does not meet the above criteria, an electric utility
19 implementing transition charges shall implement a transition
20 charge until December 31, 2006 for any power and energy taken
21 by such retail customer from such facility as if such power and
22 energy had been delivered by the electric utility. Provided,
23 however, that an industrial retail customer that is taking
24 power from a generation facility that does not meet the above
25 criteria but that is located on such customer's premises will
26 not be subject to a transition charge for the power and energy

1 taken by such retail customer from such generation facility if
2 the facility does not serve any other retail customer and
3 either was installed on behalf of the customer and for its own
4 use prior to January 1, 1997, or is both predominantly fueled
5 by byproducts of such customer's manufacturing process at such
6 premises and sells or offers an average of 300 megawatts or
7 more of electricity produced from such generation facility
8 into the wholesale market. Such charges shall be calculated as
9 provided in Section 16-102, and shall be collected on each
10 kilowatt-hour delivered under a delivery services tariff to a
11 retail customer from the date the customer first takes
12 delivery services until December 31, 2006 except as provided
13 in subsection (h) of this Section. Provided, however, that an
14 electric utility, other than an electric utility providing
15 service to at least 1,000,000 customers in this State on
16 January 1, 1999, shall be entitled to petition for entry of an
17 order by the Commission authorizing the electric utility to
18 implement transition charges for an additional period ending
19 no later than December 31, 2008. The electric utility shall
20 file its petition with supporting evidence no earlier than 16
21 months, and no later than 12 months, prior to December 31,
22 2006. The Commission shall hold a hearing on the electric
23 utility's petition and shall enter its order no later than 8
24 months after the petition is filed. The Commission shall
25 determine whether and to what extent the electric utility
26 shall be authorized to implement transition charges for an

1 additional period. The Commission may authorize the electric
2 utility to implement transition charges for some or all of the
3 additional period, and shall determine the mitigation factors
4 to be used in implementing such transition charges; provided,
5 that the Commission shall not authorize mitigation factors
6 less than 110% of those in effect during the 12 months ended
7 December 31, 2006. In making its determination, the Commission
8 shall consider the following factors: the necessity to
9 implement transition charges for an additional period in order
10 to maintain the financial integrity of the electric utility;
11 the prudence of the electric utility's actions in reducing its
12 costs since the effective date of this amendatory Act of 1997;
13 the ability of the electric utility to provide safe, adequate
14 and reliable service to retail customers in its service area;
15 and the impact on competition of allowing the electric utility
16 to implement transition charges for the additional period.

17 (g) The electric utility shall file tariffs that establish
18 the transition charges to be paid by each class of customers to
19 the electric utility in conjunction with the provision of
20 delivery services. The electric utility's tariffs shall define
21 the classes of its customers for purposes of calculating
22 transition charges. The electric utility's tariffs shall
23 provide for the calculation of transition charges on a
24 customer-specific basis for any retail customer whose average
25 monthly maximum electrical demand on the electric utility's
26 system during the 6 months with the customer's highest monthly

1 maximum electrical demands equals or exceeds 3.0 megawatts for
2 electric utilities having more than 1,000,000 customers, and
3 for other electric utilities for any customer that has an
4 average monthly maximum electrical demand on the electric
5 utility's system of one megawatt or more, and (A) for which
6 there exists data on the customer's usage during the 3 years
7 preceding the date that the customer became eligible to take
8 delivery services, or (B) for which there does not exist data
9 on the customer's usage during the 3 years preceding the date
10 that the customer became eligible to take delivery services,
11 if in the electric utility's reasonable judgment there exists
12 comparable usage information or a sufficient basis to develop
13 such information, and further provided that the electric
14 utility can require customers for which an individual
15 calculation is made to sign contracts that set forth the
16 transition charges to be paid by the customer to the electric
17 utility pursuant to the tariff.

18 (h) An electric utility shall also be entitled to file
19 tariffs that allow it to collect transition charges from
20 retail customers in the electric utility's service area that
21 do not take delivery services but that take electric power or
22 energy from an alternative retail electric supplier or from an
23 electric utility other than the electric utility in whose
24 service area the customer is located. Such charges shall be
25 calculated, in accordance with the definition of transition
26 charges in Section 16-102, for the period of time that the

1 customer would be obligated to pay transition charges if it
2 were taking delivery services, except that no deduction for
3 delivery services revenues shall be made in such calculation,
4 and usage data from the customer's class shall be used where
5 historical usage data is not available for the individual
6 customer. The customer shall be obligated to pay such charges
7 on a lump sum basis on or before the date on which the customer
8 commences to take service from the alternative retail electric
9 supplier or other electric utility, provided, that the
10 electric utility in whose service area the customer is located
11 shall offer the customer the option of signing a contract
12 pursuant to which the customer pays such charges ratably over
13 the period in which the charges would otherwise have applied.

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

22 (i-5) An electric utility required to impose the Coal to
23 Solar and Energy Storage Initiative Charge provided for in
24 subsection (c-5) of Section 1-75 of the Illinois Power Agency
25 Act shall add such charge to the bills of its delivery services
26 customers pursuant to the terms of a tariff conforming to the

1 requirements of subsection (c-5) of Section 1-75 of the
2 Illinois Power Agency Act and this subsection (i-5) and filed
3 with and approved by the Commission. The electric utility
4 shall file its proposed tariff with the Commission on or
5 before July 1, 2022 to be effective, after review and approval
6 or modification by the Commission, beginning January 1, 2023.
7 On or before December 1, 2022, the Commission shall review the
8 electric utility's proposed tariff, including by conducting a
9 docketed proceeding if deemed necessary by the Commission, and
10 shall approve the proposed tariff or direct the electric
11 utility to make modifications the Commission finds necessary
12 for the tariff to conform to the requirements of subsection
13 (c-5) of Section 1-75 of the Illinois Power Agency Act and this
14 subsection (i-5). The electric utility's tariff shall provide
15 for imposition of the Coal to Solar and Energy Storage
16 Initiative Charge on a per-kilowatthour basis to all
17 kilowatthours delivered by the electric utility to its
18 delivery services customers. The tariff shall provide for the
19 calculation of the Coal to Solar and Energy Storage Initiative
20 Charge to be in effect for the year beginning January 1, 2023
21 and each year beginning January 1 thereafter, sufficient to
22 collect the electric utility's estimated payment obligations
23 for the delivery year beginning the following June 1 under
24 contracts for purchase of renewable energy credits entered
25 into pursuant to subsection (c-5) of Section 1-75 of the
26 Illinois Power Agency Act and the obligations of the

1 Department of Commerce and Economic Opportunity, or any
2 successor department or agency, which for purposes of this
3 subsection (i-5) shall be referred to as the Department, to
4 make grant payments during such delivery year from the Coal to
5 Solar and Energy Storage Initiative Fund pursuant to grant
6 contracts entered into pursuant to subsection (c-5) of Section
7 1-75 of the Illinois Power Agency Act, and using the electric
8 utility's kilowatthour deliveries to its delivery services
9 customers during the delivery year ended May 31 of the
10 preceding calendar year. On or before November 1 of each year
11 beginning November 1, 2022, the Department shall notify the
12 electric utilities of the amount of the Department's estimated
13 obligations for grant payments during the delivery year
14 beginning the following June 1 pursuant to grant contracts
15 entered into pursuant to subsection (c-5) of Section 1-75 of
16 the Illinois Power Agency Act; and each electric utility shall
17 incorporate in the calculation of its Coal to Solar and Energy
18 Storage Initiative Charge the fractional portion of the
19 Department's estimated obligations equal to the electric
20 utility's kilowatthour deliveries to its delivery services
21 customers in the delivery year ended the preceding May 31
22 divided by the aggregate deliveries of both electric utilities
23 to delivery services customers in such delivery year. The
24 electric utility shall remit on a monthly basis to the State
25 Treasurer, for deposit in the Coal to Solar and Energy Storage
26 Initiative Fund provided for in subsection (c-5) of Section

1 1-75 of the Illinois Power Agency Act, the electric utility's
2 collections of the Coal to Solar and Energy Storage Initiative
3 Charge estimated to be needed by the Department for grant
4 payments pursuant to grant contracts entered into pursuant to
5 subsection (c-5) of Section 1-75 of the Illinois Power Agency
6 Act. The initial charge under the electric utility's tariff
7 shall be effective for kilowatthours delivered beginning
8 January 1, 2023, and thereafter shall be revised to be
9 effective January 1, 2024 and each January 1 thereafter, based
10 on the payment obligations for the delivery year beginning the
11 following June 1. The tariff shall provide for the electric
12 utility to make an annual filing with the Commission on or
13 before November 15 of each year, beginning in 2023, setting
14 forth the Coal to Solar and Energy Storage Initiative Charge
15 to be in effect for the year beginning the following January 1.
16 The electric utility's tariff shall also provide that the
17 electric utility shall make a filing with the Commission on or
18 before August 1 of each year beginning in 2024 setting forth a
19 reconciliation, for the delivery year ended the preceding May
20 31, of the electric utility's collections of the Coal to Solar
21 and Energy Storage Initiative Charge against actual payments
22 for renewable energy credits pursuant to contracts entered
23 into, and the actual grant payments by the Department pursuant
24 to grant contracts entered into, pursuant to subsection (c-5)
25 of Section 1-75 of the Illinois Power Agency Act. The tariff
26 shall provide that any excess or shortfall of collections to

1 payments shall be deducted from or added to, on a
2 per-kilowatthour basis, the Coal to Solar and Energy Storage
3 Initiative Charge, over the 6-month period beginning October 1
4 of that calendar year.

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

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

1 the reasonable costs that the utility incurs as part of the
2 procurement processes and to implement and comply with plans
3 and processes approved by the Commission under such Sections.
4 The costs associated with the purchase of renewable energy
5 resources shall be allocated across all retail customers in
6 proportion to the amount of renewable energy resources the
7 utility procures for such customers through a single, uniform
8 cents per kilowatt-hour charge applicable to such retail
9 customers, which shall appear as a separate line item on each
10 such customer's bill. The credits, costs, and penalties
11 associated with the self-direct renewable portfolio standard
12 compliance program described in subparagraph (R) of paragraph
13 (1) of subsection (c) of Section 1-75 of the Illinois Power
14 Agency Act shall be allocated to approved eligible self-direct
15 customers by the utility in a cents per kilowatt-hour credit,
16 cost, or penalty, which shall appear as a separate line item on
17 each such customer's bill.

18 Notwithstanding whether the Commission has approved the
19 initial long-term renewable resources procurement plan as of
20 June 1, 2017, an electric utility shall place new tariffed
21 charges into effect beginning with the June 2017 monthly
22 billing period, to the extent practicable, to begin recovering
23 the costs of procuring renewable energy resources, as those
24 charges are calculated under the limitations described in
25 subparagraph (E) of paragraph (1) of subsection (c) of Section
26 1-75 of the Illinois Power Agency Act. Notwithstanding the

1 date on which the utility places such new tariffed charges
2 into effect, the utility shall be permitted to collect the
3 charges under such tariff as if the tariff had been in effect
4 beginning with the first day of the June 2017 monthly billing
5 period. For the delivery years commencing June 1, 2017, June
6 1, 2018, ~~and~~ June 1, 2019, and each delivery year thereafter,
7 the electric utility shall deposit into a separate interest
8 bearing account of a financial institution the monies
9 collected under the tariffed charges. Money collected from
10 customers for the procurement of renewable energy resources in
11 a given delivery year may be spent by the utility for the
12 procurement of renewable resources over any of the following 5
13 delivery years, after which unspent money shall be credited
14 back to retail customers. The electric utility shall spend all
15 money collected in earlier delivery years that has not yet
16 been returned to customers, first, before spending money
17 collected in later delivery years. Any interest earned shall
18 be credited back to retail customers under the reconciliation
19 proceeding provided for in this subsection (k), provided that
20 the electric utility shall first be reimbursed from the
21 interest for the administrative costs that it incurs to
22 administer and manage the account. Any taxes due on the funds
23 in the account, or interest earned on it, will be paid from the
24 account or, if insufficient monies are available in the
25 account, from the monies collected under the tariffed charges
26 to recover the costs of procuring renewable energy resources.

1 Monies deposited in the account shall be subject to the
2 review, reconciliation, and true-up process described in this
3 subsection (k) that is applicable to the funds collected and
4 costs incurred for the procurement of renewable energy
5 resources.

6 The electric utility shall be entitled to recover all of
7 the costs identified in this subsection (k) through automatic
8 adjustment clause tariffs applicable to all of the utility's
9 retail customers that allow the electric utility to adjust its
10 tariffed charges consistent with this subsection (k). The
11 determination as to whether any excess funds were collected
12 during a given delivery year for the purchase of renewable
13 energy resources, and the crediting of any excess funds back
14 to retail customers, shall not be made until after the close of
15 the delivery year, which will ensure that the maximum amount
16 of funds is available to implement the approved long-term
17 renewable resources procurement plan during a given delivery
18 year. The amount of excess funds eligible to be credited back
19 to retail customers shall be reduced by an amount equal to the
20 payment obligations required by any contracts entered into by
21 an electric utility under contracts described in subsection
22 (b) of Section 1-56 and subsection (c) of Section 1-75 of the
23 Illinois Power Agency Act, even if such payments have not yet
24 been made and regardless of the delivery year in which those
25 payment obligations were incurred. Notwithstanding anything to
26 the contrary, including in tariffs authorized by this

1 subsection (k) in effect before the effective date of this
2 amendatory Act of the 102nd General Assembly, all unspent
3 funds as of May 31, 2021, excluding any funds credited to
4 customers during any utility billing cycle that commences
5 prior to the effective date of this amendatory Act of the 102nd
6 General Assembly, shall remain in the utility account and
7 shall on a first in, first out basis be used toward utility
8 payment obligations under contracts described in subsection
9 (b) of Section 1-56 and subsection (c) of Section 1-75 of the
10 Illinois Power Agency Act. The electric utility's collections
11 under such automatic adjustment clause tariffs to recover the
12 costs of renewable energy resources, ~~and~~ zero emission credits
13 from zero emission facilities, and carbon mitigation credits
14 from carbon-free energy resources shall be subject to separate
15 annual review, reconciliation, and true-up against actual
16 costs by the Commission under a procedure that shall be
17 specified in the electric utility's automatic adjustment
18 clause tariffs and that shall be approved by the Commission in
19 connection with its approval of such tariffs. The procedure
20 shall provide that any difference between the electric
21 utility's collections for zero emission credits and carbon
22 mitigation credits under the automatic adjustment charges for
23 an annual period and the electric utility's actual costs of
24 ~~renewable energy resources and~~ zero emission credits from zero
25 emission facilities and carbon mitigation credits from
26 carbon-free energy resources for that same annual period shall

1 be refunded to or collected from, as applicable, the electric
2 utility's retail customers in subsequent periods.

3 Nothing in this subsection (k) is intended to affect,
4 limit, or change the right of the electric utility to recover
5 the costs associated with the procurement of renewable energy
6 resources for periods commencing before, on, or after June 1,
7 2017, as otherwise provided in the Illinois Power Agency Act.

8 ~~Notwithstanding anything to the contrary, the Commission~~
9 ~~shall not conduct an annual review, reconciliation, and~~
10 ~~true up associated with renewable energy resources'~~
11 ~~collections and costs for the delivery years commencing June~~
12 ~~1, 2017, June 1, 2018, June 1, 2019, and June 1, 2020, and~~
13 ~~shall instead conduct a single review, reconciliation, and~~
14 ~~true up associated with renewable energy resources'~~
15 ~~collections and costs for the 4 year period beginning June 1,~~
16 ~~2017 and ending May 31, 2021, provided that the review,~~
17 ~~reconciliation, and true up shall not be initiated until after~~
18 ~~August 31, 2021. During the 4 year period, the utility shall~~
19 ~~be permitted to collect and retain funds under this subsection~~
20 ~~(k) and to purchase renewable energy resources under an~~
21 ~~approved long term renewable resources procurement plan using~~
22 ~~those funds regardless of the delivery year in which the funds~~
23 ~~were collected during the 4 year period.~~

24 ~~If the amount of funds collected during the delivery year~~
25 ~~commencing June 1, 2017, exceeds the costs incurred during~~
26 ~~that delivery year, then up to half of this excess amount, as~~

1 ~~calculated on June 1, 2018, may be used to fund the programs~~
2 ~~under subsection (b) of Section 1-56 of the Illinois Power~~
3 ~~Agency Act in the same proportion the programs are funded~~
4 ~~under that subsection (b). However, any amount identified~~
5 ~~under this subsection (k) to fund programs under subsection~~
6 ~~(b) of Section 1-56 of the Illinois Power Agency Act shall be~~
7 ~~reduced if it exceeds the funding shortfall. For purposes of~~
8 ~~this Section, "funding shortfall" means the difference between~~
9 ~~\$200,000,000 and the amount appropriated by the General~~
10 ~~Assembly to the Illinois Power Agency Renewable Energy~~
11 ~~Resources Fund during the period that commences on the~~
12 ~~effective date of this amendatory act of the 99th General~~
13 ~~Assembly and ends on August 1, 2018.~~

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

24 ~~If the amount of funds collected during the delivery year~~
25 ~~commencing June 1, 2019, exceeds the costs incurred during~~
26 ~~that delivery year, then up to half of this excess amount, as~~

1 ~~calculated on June 1, 2020, may be used to fund the programs~~
2 ~~under subsection (b) of Section 1-56 of the Illinois Power~~
3 ~~Agency Act in the same proportion the programs are funded~~
4 ~~under that subsection (b). However, any amount identified~~
5 ~~under this subsection (k) to fund programs under subsection~~
6 ~~(b) of Section 1-56 of the Illinois Power Agency Act shall be~~
7 ~~reduced if it exceeds the funding shortfall.~~

8 The funding available under this subsection (k), if any,
9 for the programs described under subsection (b) of Section
10 1-56 of the Illinois Power Agency Act shall not reduce the
11 amount of funding for the programs described in subparagraph
12 (O) of paragraph (1) of subsection (c) of Section 1-75 of the
13 Illinois Power Agency Act. If funding is available under this
14 subsection (k) for programs described under subsection (b) of
15 Section 1-56 of the Illinois Power Agency Act, then the
16 long-term renewable resources plan shall provide for the
17 Agency to procure contracts in an amount that does not exceed
18 the funding, and the contracts approved by the Commission
19 shall be executed by the applicable utility or utilities.

20 (1) A utility that has terminated any contract executed
21 under subsection (d-5) or (d-10) of Section 1-75 of the
22 Illinois Power Agency Act shall be entitled to recover any
23 remaining balance associated with the purchase of zero
24 emission credits prior to such termination, and such utility
25 shall also apply a credit to its retail customer bills in the
26 event of any over-collection.

1 (m) (1) An electric utility that recovers its costs of
2 procuring zero emission credits from zero emission facilities
3 through a cents-per-kilowatthour charge under ~~to~~ subsection
4 (k) of this Section shall be subject to the requirements of
5 this subsection (m). Notwithstanding anything to the contrary,
6 such electric utility shall, beginning on April 30, 2018, and
7 each April 30 thereafter until April 30, 2026, calculate
8 whether any reduction must be applied to such
9 cents-per-kilowatthour charge that is paid by retail customers
10 of the electric utility that have opted out of ~~are exempt from~~
11 subsections (a) through (j) of Section 8-103B of this Act
12 under subsection (1) of Section 8-103B. Such charge shall be
13 reduced for such customers for the next delivery year
14 commencing on June 1 based on the amount necessary, if any, to
15 limit the annual estimated average net increase for the prior
16 calendar year due to the future energy investment costs to no
17 more than 1.3% of 5.98 cents per kilowatt-hour, which is the
18 average amount paid per kilowatthour for electric service
19 during the year ending December 31, 2015 by Illinois
20 industrial retail customers, as reported to the Edison
21 Electric Institute.

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

25 (2) For purposes of this Section, "future energy
26 investment costs" shall be calculated by subtracting the

1 cents-per-kilowatthour charge identified in subparagraph (A)
2 of this paragraph (2) from the sum of the
3 cents-per-kilowatthour charges identified in subparagraph (B)
4 of this paragraph (2):

5 (A) The cents-per-kilowatthour charge identified in
6 the electric utility's tariff placed into effect under
7 Section 8-103 of the Public Utilities Act that, on
8 December 1, 2016, was applicable to those retail customers
9 that have opted out of ~~are exempt from~~ subsections (a)
10 through (j) of Section 8-103B of this Act under subsection
11 (l) of Section 8-103B.

12 (B) The sum of the following cents-per-kilowatthour
13 charges applicable to those retail customers that have
14 opted out of ~~are exempt from~~ subsections (a) through (j)
15 of Section 8-103B of this Act under subsection (l) of
16 Section 8-103B, provided that if one or more of the
17 following charges has been in effect and applied to such
18 customers for more than one calendar year, then each
19 charge shall be equal to the average of the charges
20 applied over a period that commences with the calendar
21 year ending December 31, 2017 and ends with the most
22 recently completed calendar year prior to the calculation
23 required by this subsection (m):

24 (i) the cents-per-kilowatthour charge to recover
25 the costs incurred by the utility under subsection
26 (d-5) of Section 1-75 of the Illinois Power Agency

1 Act, adjusted for any reductions required under this
2 subsection (m); and

3 (ii) the cents-per-kilowatthour charge to recover
4 the costs incurred by the utility under Section
5 16-107.6 of the Public Utilities Act.

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

9 (3) If a reduction is required by the calculation
10 performed under this subsection (m), then the amount of the
11 reduction shall be multiplied by the number of years reflected
12 in the averages calculated under subparagraph (B) of paragraph
13 (2) of this subsection (m). Such reduction shall be applied to
14 the cents-per-kilowatthour charge that is applicable to those
15 retail customers that have opted out of ~~are exempt from~~
16 subsections (a) through (j) of Section 8-103B of this Act
17 under subsection (l) of Section 8-103B beginning with the next
18 delivery year commencing after the date of the calculation
19 required by this subsection (m).

20 (4) The electric utility shall file a notice with the
21 Commission on May 1 of 2018 and each May 1 thereafter until May
22 1, 2026 containing the reduction, if any, which must be
23 applied for the delivery year which begins in the year of the
24 filing. The notice shall contain the calculations made
25 pursuant to this Section. By October 1 of each year beginning
26 in 2018, each electric utility shall notify the Commission if

1 it appears, based on an estimate of the calculation required
2 in this subsection (m), that a reduction will be required in
3 the next year.

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

5 (220 ILCS 5/16-108.18 new)

6 Sec. 16-108.18. Performance-based ratemaking.

7 (a) The General Assembly finds:

8 (1) That improving the alignment of utility customer
9 and company interests is critical to ensuring equity,
10 rapid growth of distributed energy resources, electric
11 vehicles, and other new technologies that substantially
12 change the makeup of the grid and protect Illinois
13 residents and businesses from potential economic and
14 environmental harm from the State's energy systems.

15 (2) There is urgency around addressing increasing
16 threats from climate change and assisting communities that
17 have borne disproportionate impacts from climate change,
18 including air pollution, greenhouse gas emissions, and
19 energy burdens. Addressing this problem requires changes
20 to the business model under which utilities in Illinois
21 have traditionally functioned.

22 (3) Providing targeted incentives to support change
23 through a new performance-based structure to enhance
24 ratemaking is intended to enable alignment of utility,
25 customer, community, and environmental goals.

1 (4) Though Illinois has taken some measures to move
2 utilities to performance-based ratemaking through the
3 establishment of performance incentives and a
4 performance-based formula rate under the Energy
5 Infrastructure Modernization Act, these measures have not
6 been sufficiently transformative in urgently moving
7 electric utilities toward the State's ambitious energy
8 policy goals: protecting a healthy environment and
9 climate, improving public health, and creating quality
10 jobs and economic opportunities, including wealth
11 building, especially in economically disadvantaged
12 communities and communities of color.

13 (5) These measures were not developed through a
14 process to understand first what performance measures and
15 penalties would help drive the sought-after behavior by
16 the utilities.

17 (6) While the General Assembly has not made a finding
18 that the spending related to the Energy Infrastructure and
19 Modernization Act and its performance metrics was not
20 reasonable, it is important to address concerns that these
21 measures may have resulted in excess utility spending and
22 guaranteed profits without meaningful improvements in
23 customer experience, rate affordability, or equity.

24 (7) Discussions of performance incentive mechanisms
25 must always take into account the affordability of
26 customer rates and bills for all customers, including

1 low-income customers.

2 (8) The General Assembly therefore directs the
3 Illinois Commerce Commission to complete a transition that
4 includes a comprehensive performance-based regulation
5 framework for electric utilities serving more than 500,000
6 customers. The breadth of this framework should revise
7 existing utility regulations to position Illinois electric
8 utilities to effectively and efficiently achieve current
9 and anticipated future energy needs of this State, while
10 ensuring affordability for consumers.

11 (b) As used in this Section:

12 "Commission" means the Illinois Commerce Commission.

13 "Demand response" means measures that decrease peak
14 electricity demand or shift demand from peak to off-peak
15 periods.

16 "Distributed energy resources" or "DER" means a wide range
17 of technologies that are connected to the grid including those
18 that are located on the customer side of the customer's
19 electric meter and can provide value to the distribution
20 system, including, but not limited to, distributed generation,
21 energy storage, electric vehicles, and demand response
22 technologies.

23 "Economically disadvantaged communities" means areas of
24 one or more census tracts where average household income does
25 not exceed 80% of area median income.

26 "Environmental justice communities" means the definition

1 of that term as used and as may be updated in the long-term
2 renewable resources procurement plan by the Illinois Power
3 Agency and its Program Administrator in the Illinois Solar for
4 All Program.

5 "Equity investment eligible community" means the
6 geographic areas throughout Illinois which would most benefit
7 from equitable investments by the State designed to combat
8 discrimination. Specifically, the equity investment eligible
9 communities shall be defined as the following areas:

10 (1) R3 Areas as established pursuant to Section 10-40
11 of the Cannabis Regulation and Tax Act, where residents
12 have historically been excluded from economic
13 opportunities, including opportunities in the energy
14 sector; and

15 (2) Environmental justice communities, as defined by
16 the Illinois Power Agency pursuant to the Illinois Power
17 Agency Act, where residents have historically been subject
18 to disproportionate burdens of pollution, including
19 pollution from the energy sector.

20 "Performance incentive mechanism" means an instrument by
21 which utility performance is incentivized, which could include
22 a monetary performance incentive.

23 "Performance metric" means a manner of measurement for a
24 particular utility activity.

25 (c) Through coordinated, comprehensive system planning,
26 ratemaking, and performance incentives, the performance-based

1 ratemaking framework should be designed to accomplish the
2 following objectives:

3 (1) maintain and improve service reliability and
4 safety, including and particularly in environmental
5 justice, low-income and equity investment eligible
6 communities;

7 (2) decarbonize utility systems at a pace that meets
8 or exceeds State climate goals, while also ensuring the
9 affordability of rates for all customers, including
10 low-income customers;

11 (3) direct electric utilities to make cost-effective
12 investments that support achievement of Illinois' clean
13 energy policies, including, at a minimum, investments
14 designed to integrate distributed energy resources, comply
15 with critical infrastructure protection standards, plans,
16 and industry best practices, and support and take
17 advantage of potential benefits from the electric vehicle
18 charging and other electrification, while mitigating the
19 impacts;

20 (4) choose cost-effective assets and services, whether
21 utility-supplied or through third-party contracting,
22 considering both economic and environmental costs and the
23 effects on utility rates, to deliver high-quality service
24 to customers at least cost;

25 (5) maintain the affordability of electric delivery
26 services for all customers, including low-income

1 customers;

2 (6) maintain and grow a diverse workforce, diverse
3 supplier procurement base and, for relevant programs,
4 diverse approved-vendor pools, including increased
5 opportunities for minority-owned, female-owned,
6 veteran-owned, and disability-owned business enterprises;

7 (7) improve customer service performance and
8 engagement;

9 (8) address the particular burdens faced by consumers
10 in environmental justice and equity investment eligible
11 communities, including shareholder, consumer, and publicly
12 funded bill payment assistance and credit and collection
13 policies, and ensure equitable disconnections, late fees,
14 or arrearages as a result of utility credit and collection
15 practices, which may include consideration of impact by
16 zip code; and

17 (9) implement or otherwise enhance current supplier
18 diversity programs to increase diverse contractor
19 participation in professional services, subcontracting,
20 and prime contracting opportunities with programs that
21 address barriers to access. Supplier diversity programs
22 shall address specific barriers related to RFP and
23 contract access, access to capital, information technology
24 and cyber security access and costs, administrative
25 burdens, and quality control with specific metrics,
26 outcomes, and demographic data reported.

1 (d) Multi-Year Rate Plan.

2 (1) If an electric utility had a performance-based
3 formula rate in effect under Section 16-108.5 as of
4 December 31, 2020, then the utility may file a petition
5 proposing tariffs implementing a 4-year Multi-Year Rate
6 Plan as provided in this Section no later than, January
7 20, 2023, for delivery service rates to be effective for
8 the billing periods January 1, 2024 through December 31,
9 2027. The Commission shall issue an order approving or
10 approving as modified the utility's plan no later than
11 December 20, 2023. The term "Multi-Year Rate Plan" refers
12 to a plan establishing the base rates the utility shall
13 charge for each delivery year of the 4-year period to be
14 covered by the plan, which shall be subject to
15 modification only as expressly allowed in this Section.

16 (2) A utility proposing a Multi-Year Rate Plan shall
17 provide a 4-year investment plan and a description of the
18 utility's major planned investments, including, at a
19 minimum, all investments of \$2,000,000 or greater over the
20 plan period for an electric utility that serves more than
21 3,000,000 retail customers in the State or \$500,000 for an
22 electric utility that serves less than 3,000,000 retail
23 customers in the State but more than 500,000 retail
24 customers in the State. The 4-year investment plan must be
25 consistent with the Multi-Year Integrated Grid Plan
26 described in Section 16-105.17 of this Act. The investment

1 plan shall provide sufficiently detailed information, as
2 required by the Commission, including, at a minimum, a
3 description of each investment, the location of the
4 investment, and an explanation of the need for and benefit
5 of such an investment to the extent known.

6 (3) The Multi-Year Rate Plan shall be implemented
7 through a tariff filed with the Commission consistent with
8 the provisions of this paragraph (3) that shall apply to
9 all delivery service customers. The Commission shall
10 initiate and conduct an investigation of the tariff in a
11 manner consistent with the provisions of this paragraph
12 (3) and the provisions of Article IX of this Act, to the
13 extent they do not conflict with this paragraph (3). The
14 Multi-Year Rate Plan approved by the Commission shall do
15 the following:

16 (A) Provide for the recovery of the utility's
17 forecasted rate base, based on the 4-year investment
18 plan and the utility's Integrated Grid Plan. The
19 forecasted rate base must include the utility's
20 planned capital investments, with rates based on
21 average annual plant investment, and
22 investment-related costs, including income tax
23 impacts, depreciation, and ratemaking adjustments and
24 costs that are prudently incurred and reasonable in
25 amount consistent with Commission practice and law.
26 The process used to develop the forecasts must be

1 iterative, rigorous, and lead to forecasts that
2 reasonably represent the utility's investments during
3 the forecasted period and ensure that the investments
4 are projected to be used and useful during the annual
5 investment period and least cost, consistent with the
6 provisions of Articles VIII and IX of this Act.

7 (B) The cost of equity shall be approved by the
8 Commission consistent with Commission practice and
9 law.

10 (C) The revenue requirement shall reflect the
11 utility's actual capital structure for the applicable
12 calendar year. A year-end capital structure that
13 includes a common equity ratio of up to and including
14 50% of the total capital structure shall be deemed
15 prudent and reasonable. A higher common equity ratio
16 must be specifically approved by the Commission.

17 (E) Provide for recovery of prudent and reasonable
18 projected operating expenses, giving effect to
19 ratemaking adjustments, consistent with Commission
20 practice and law under Article IX of this Act.
21 Operating expenses for years after the first year of
22 the Multi-Year Rate Plan may be estimated by the use of
23 known and measurable changes, expense reductions
24 associated with planned capital investments as
25 appropriate, and reasonable and appropriate
26 escalators, indices, or other metrics.

1 (F) Amortize the amount of unprotected
2 property-related excess accumulated deferred income
3 taxes in rates as of January 1, 2023 over a period
4 ending December 31, 2027, unless otherwise required to
5 amortize the excess deferred income tax pursuant to
6 Section 16-108.21 of this Act.

7 (G) Allow recovery of incentive compensation
8 expense that is based on the achievement of
9 operational metrics, including metrics related to
10 budget controls, outage duration and frequency,
11 safety, customer service, efficiency and productivity,
12 environmental compliance and attainment of
13 affordability and environmental goals, and other goals
14 and metrics approved by the Commission. Incentive
15 compensation expense that is based on net income or an
16 affiliate's earnings per share shall not be
17 recoverable.

18 (H) To the maximum extent practicable, align the
19 4-year investment plan and annual capital budgets with
20 the electric utility's Multi-Year Integrated Grid
21 Plan.

22 (4) The Commission shall establish annual rates for
23 each year of the Multi-Year Rate Plan that accurately
24 reflect and are based only upon the utility's reasonable
25 and prudent costs of service over the term of the plan,
26 including the effect of all ratemaking adjustments

1 consistent with Commission practice and law as determined
2 by the Commission, provided that the costs are not being
3 recovered elsewhere in rates. Tariff riders authorized by
4 the Commission may continue outside of a plan authorized
5 under this Section to the extent such costs are not
6 recovered elsewhere in rates. For the first multi-year
7 rate plan, the burden of proof shall be on the electric
8 utility to establish the prudence of investments and
9 expenditures and to establish that such investments
10 consistent with and reasonably necessary to meet the
11 requirements of the utility's first approved Multi-Year
12 Integrated Grid Plan described in Section 16-105.17 of
13 this Act. For subsequent Multi-Year Rate Plans, the burden
14 of proof shall be on the electric utility to establish the
15 prudence of investments and expenditures and to establish
16 that such investments are consistent with and reasonably
17 necessary to meet the requirements of the utility's most
18 recently approved Multi-Year Integrated Grid Plan
19 described in Section 16-105.17 of this Act. The sole fact
20 that a cost differs from that incurred in a prior period or
21 that an investment is different from that described in the
22 Multi-Year Integrated Grid Plan shall not imply the
23 imprudence or unreasonableness of that cost or investment.
24 The sole fact that an investment is the same or similar to
25 that described in the Multi-Year Integrated Grid Plan
26 shall not imply prudence and reasonableness of that

1 investment.

2 (5) To facilitate public transparency, all materials,
3 data, testimony, and schedules shall be provided to the
4 Commission in an editable, machine-readable electronic
5 format including .doc, .docx, .xls, .xlsx, and similar
6 file formats, but not including .pdf or .exif. Should
7 utilities designate any materials confidential, they shall
8 have an affirmative duty to explain why the particular
9 information is marked confidential. In determining
10 prudence and reasonableness of rates, the Commission shall
11 make its determination based upon the record, including
12 each public comment filed or provided orally at open
13 meetings consistent with the Commission's rules and
14 practices.

15 (6) The Commission may, by order, establish terms,
16 conditions, and procedures for submitting and approving a
17 Multi-Year Rate Plan necessary to implement this Section
18 and ensure that rates remain just and reasonable during
19 the course of the plan, including terms and procedures for
20 rate adjustment.

21 (7) An electric utility that files a tariff pursuant
22 to paragraph (3) of this subsection (e) must submit a
23 one-time \$300,000 filing fee at the time the Chief Clerk
24 of the Commission accepts the filing, which shall be a
25 recoverable expense.

26 (8) An electric utility operating under a Multi-Year

1 Rate Plan shall file a new Multi-Year Rate Plan at least
2 300 days prior to the end of the initial Multi-Year Rate
3 Plan unless it elects to file a general rate case pursuant
4 to paragraph (9), and every 4 years thereafter, with a
5 rate-effective date of the proposed tariffs such that,
6 after the Commission suspension period, the rates would
7 take effect immediately at the close of the final year of
8 the initial Multi-Year Rate Plan. In subsequent Multi-Year
9 Rate Plans, as in the initial plans, utilities and
10 stakeholders may propose additional metrics that achieve
11 the outcomes described in paragraph (2) of subsection (f)
12 of this Section.

13 (9) Election of Rate Case.

14 (A) On or before the date prescribed by
15 subparagraph (B) of paragraph (9) of this Section,
16 electric utilities that serve more than 500,000 retail
17 customers in the State shall file either a general
18 rate case under Section 9-201 of this Act, or a
19 Multi-Year Rate Plan, as set forth in paragraph (1) of
20 this subsection (d).

21 (B) Electric utilities described in subparagraph
22 (A) of paragraph (9) of this Section shall file their
23 initial general rate case or Multi-Year Rate Plan, as
24 applicable, with the Commission no later than January
25 20, 2023.

26 (C) Notwithstanding which rate filing option an

1 electric utility elects to file on the date prescribed
2 by subparagraph (B) of paragraph (9) of this Section,
3 the electric utility shall be subject to the
4 Multi-year Integrated Plan filing requirements.

5 (D) Following its initial rate filing pursuant to
6 paragraph (2), an electric utility subject to the
7 requirements of this Section shall thereafter be
8 permitted to elect a different rate filing option
9 consistent with any filing intervals established for a
10 general rate case or Multi-Year Rate Plan, as follows:

11 (i) An electric utility that initially elected
12 to file a Multi-Year Rate Plan and thereafter
13 elects to transition to a general rate case may do
14 so upon completion of the 4-year Multi-Year Rate
15 Plan by filing a general rate case at the same time
16 that the utility would have filed its subsequent
17 Multi-Year Rate Plan, as specified in paragraph
18 (8) of this subsection (d). Notwithstanding this
19 election, the annual adjustment of the final year
20 of the Multi-Year Rate Plan shall proceed as
21 specified in paragraph (6) of subsection (f).

22 (ii) An electric utility that initially
23 elected to a file general rate case and thereafter
24 elects to transition to a Multi-Year Rate Plan may
25 do so only at the 4-year filing intervals
26 identified by paragraph (8) of this subsection

1 (d).

2 (10) The Commission shall approve tariffs establishing
3 rate design for all delivery service customers unless the
4 electric utility makes the election specified in Section
5 16-105.5, in which case the rate design shall be subject
6 to the provisions of that Section.

7 (11) The Commission shall establish requirements for
8 annual performance evaluation reports to be submitted
9 annually for performance metrics. Such reports shall
10 include, but not be limited to, a description of the
11 utility's performance under each metric and an
12 identification of any extraordinary events that adversely
13 affected the utility's performance.

14 (12) For the first Multi-Year Rate Plan, the
15 Commission shall consolidate its investigation with the
16 proceeding under Section 16-105.17 to establish the
17 Multi-Year Integrated Grid Plan no later than 45 days
18 after plan filing.

19 (13) Where a rate change under a Multi-Year Rate Plan
20 will result in a rate increase, an electric utility may
21 propose a rate phase-in plan that the Commission shall
22 approve with or without modification or deny in its final
23 order approving the new delivery services rates. A
24 proposed rate phase-in plan under this paragraph (13) must
25 allow the new delivery services rates to be implemented in
26 no more than 2 steps, as follows: in the first step, at

1 least 50% of the approved rate increase must be reflected
2 in rates, and, in the second step, 100% of the rate
3 increase must be reflected in rates. The second step's
4 rates must take effect no later than 12 months after the
5 first step's rates were placed into effect. The portion of
6 the approved rate increase not implemented in the first
7 step shall be recorded on the electric utility's books as
8 a regulatory asset, and shall accrue carrying costs to
9 ensure that the utility does not recover more or less than
10 it otherwise would because of the deferral. This portion
11 shall be recovered, with such carrying costs at the
12 weighted average cost of capital, through a surcharge
13 applied to retail customer bills that (i) begins no later
14 than 12 months after the date on which the second step's
15 rates went into effect and (ii) is applied over a period
16 not to exceed 24 months. Nothing in this paragraph is
17 intended to limit the Commission's authority to mitigate
18 the impact of rates caused by rate plans, or any other
19 instance on a revenue-neutral basis; nor shall it mitigate
20 a utility's ability to make proposals to mitigate the
21 impact of rates. When a deferral, or similar method, is
22 used to mitigate the impact of rates, the utility should
23 be allowed to recover carrying costs.

24 (14) Notwithstanding the provisions of Section (13),
25 the Commission may, on its own initiative, take
26 revenue-neutral measures to relieve the impact of rate

1 increases on customers. Such initiatives may be taken by
2 the Commission in the first Multi-Year Rate Plan,
3 subsequent multi-year plans, or in other instances
4 described in this Act.

5 (15) Whenever during the pendency of a Multi-year Rate
6 Plan, an electric utility subject to this Section becomes
7 aware that, due to circumstances beyond its control,
8 prudent operating practices will require the utility to
9 make adjustments to the Multi-Year Rate Plan, the electric
10 utility may file a petition with the Commission requesting
11 modification of the approved annual revenue requirements
12 included in the Multi-Year Rate Plan. The electric utility
13 must support its request with evidence demonstrating why a
14 modification is necessary, due to circumstances beyond the
15 utility's control, to follow prudent operating practices
16 and must set forth the changes to each annual revenue
17 requirement to be approved, and the basis for any changes
18 in anticipated operating expenses or capital investment
19 levels. The utility shall affirmatively address the impact
20 of the changes on the Multi-Year Integrated Grid Plan and
21 Multi-Year Rate Plan originally submitted and approved by
22 the Commission. Any interested party may file an objection
23 to the changes proposed, or offer alternatives to the
24 utility's proposal, as supported by testimony and
25 evidence. After notice and hearing, the Commission shall
26 issue a final order regarding the electric utility's

1 request no later than 180 days after the filing of the
2 petition.

3 (e) Performance incentive mechanisms.

4 (1) The electric industry is undergoing rapid
5 transformation, including fundamental changes in how
6 electricity is generated, procured, and delivered and how
7 customers are choosing to participate in the supply and
8 delivery of electricity to and from the electric grid.
9 Building upon the State's goals to increase the
10 procurement of electricity from renewable energy
11 resources, including distributed generation and storage
12 devices, the General Assembly finds that electric
13 utilities should make cost-effective investments that
14 support moving forward on Illinois' clean energy policies.
15 It is therefore in the State's interest for the Commission
16 to establish performance incentive mechanisms in order to
17 better tie utility revenues to performance and customer
18 benefits, accelerate progress on Illinois energy and other
19 goals, ensure equity and affordability of rates for all
20 customers, including low-income customers, and hold
21 utilities publicly accountable.

22 (2) The Commission shall approve, based on the
23 substantial evidence proffered in the proceeding initiated
24 pursuant to this subsection performance metrics that, to
25 the extent practicable and achievable by the electric
26 utility, encourage cost-effective, equitable utility

1 achievement of the outcomes described in this subsection
2 (e) while ensuring no degradation in the significant
3 performance improvement achieved through previously
4 established performance metrics. For each electric
5 utility, the Commission shall approve metrics designed to
6 achieve incremental improvements over baseline performance
7 values and targets, over a performance period of up to 10
8 years, and no less than 4 years.

9 (A) The Commission shall approve no more than 8
10 metrics, with at least one metric from each of the
11 categories below, for each electric utility, from
12 subparagraphs (i) through (vi) of this subsection (A).
13 Upon a utility request, the Commission may approve the
14 use of a specific, measurable, and achievable tracking
15 metric described in paragraph (3) of subsection (e) as
16 a performance metric pursuant to paragraph (2) of
17 subsection (e).

18 (i) Metrics designed to ensure the utility
19 maintains and improves the high standards of both
20 overall and locational reliability and resiliency,
21 and makes improvements in power quality, including
22 and particularly in environmental justice and
23 equity investment eligible communities.

24 (ii) Peak load reductions attributable to
25 demand response programs.

26 (iii) Supplier diversity expansion, including

1 diverse contractor participation in professional
2 services, subcontracting, and prime contracting
3 opportunities, development of programs that
4 address the barriers to access, aligning
5 demographics of contractors to the demographics in
6 the utility's service territory, establish
7 long-term mentoring relationships that develop and
8 remove barriers to access for diverse and
9 underserved contractors. The utilities shall
10 provide solutions, resources, and tools to address
11 complex barriers of entry related to costly and
12 time-intensive cyber security requirements,
13 increasingly complex information technology
14 requirements, insurance barriers, service provider
15 sign-up process barriers, administrative process
16 barriers, and other barriers that inhibit access
17 to RFPs and contracts. For programs with contracts
18 over \$1,000,000, winning bidders must demonstrate
19 a subcontractor development or mentoring
20 relationship with at least one of their diverse
21 subcontracting partners for a core component of
22 the scope of the project. The mentoring time and
23 cost shall be taken into account in the creation
24 of RFP and shall include a structured and measured
25 plan by the prime contractor to increase the
26 capabilities of the subcontractor in their

1 proposed scope. The metric shall include reporting
2 on all supplier diversity programs by goals,
3 program results, demographics and geography, with
4 separate reporting by category of minority-owned,
5 female-owned, veteran-owned, and disability-owned
6 business enterprise metrics. The report shall
7 include resources and expenses committed to the
8 programs and conversion rates of new diverse
9 utility contractors.

10 (iv) Achieve affordable customer delivery
11 service costs, with particular emphasis on keeping
12 the bills of lower-income households, households
13 in equity investment eligible communities, and
14 household in environmental justice communities
15 within a manageable portion of their income and
16 adopting credit and collection policies that
17 reduce disconnections for these households
18 specifically and for customers overall to ensure
19 equitable disconnections, late fees, or arrearages
20 as a result of utility credit and collection
21 practices, which may include consideration of
22 impact by zip code.

23 (v) Metrics designed around the utility's
24 timeliness to customer requests for
25 interconnection in key milestone areas, such as:
26 initial response, supplemental review, and system

1 feasibility study; improved average service
2 reliability index for those customers that have
3 interconnected a distributed renewable energy
4 generation device to the utility's distribution
5 system and are lawfully taking service under an
6 applicable tariff; offering a variety of
7 affordable rate options, including demand
8 response, time of use rates for delivery and
9 supply, real-time pricing rates for supply;
10 comprehensive and predictable net metering, and
11 maximizing the benefits of grid modernization and
12 clean energy for ratepayers; and improving
13 customer access to utility system information
14 according to consumer demand and interest.

15 (vi) Metrics designed to measure the utility's
16 customer service performance, which may include
17 the average length of time to answer a customer's
18 call by a customer service representative, the
19 abandoned call rate and the relative ranking of
20 the electric utility, by a reputable third-party
21 organization, in customer service satisfaction
22 when compared to other similar electric utilities
23 in the Midwest region.

24 (B) Performance metrics shall include a
25 description of the metric, a calculation method, a
26 data collection method, annual performance targets,

1 and any incentives or penalties for the utility's
2 achievement of, or failure to achieve, their
3 performance targets, provided that the total amount of
4 potential incentives and penalties shall be
5 symmetrical. Incentives shall be rewards or penalties
6 or both, reflected as basis points added to, or
7 subtracted from, the utility's cost of equity. The
8 metrics and incentives shall apply for the entire time
9 period covered by a Multi-Year Rate Plan. The total
10 for all metrics shall be equal to 40 basis points,
11 however, the Commission may adjust the basis points
12 upward or downward by up to 20 basis points for any
13 given Multi-Year Rate Plan, as appropriate, but in no
14 event may the total exceed 60 basis points or fall
15 below 20 basis points.

16 (C) Metrics related to reliability shall be
17 implemented to ensure equitable benefits to
18 environmental justice and equity investment eligible
19 communities, as defined in this Act.

20 (D) The Commission shall approve performance
21 metrics that are reasonably within control of the
22 utility to achieve. The Commission also shall not
23 approve a metric that is solely expected to have the
24 effect of reducing the workforce. Performance metrics
25 should measure outcomes and actual, rather than
26 projected, results where possible. Nothing in this

1 paragraph is intended to require that different
2 electric utilities must be subject to the same
3 metrics, goals, or incentives.

4 (E) Increases or enhancements to an existing
5 performance goal or target shall be considered in
6 light of other metrics, cost-effectiveness, and other
7 factors the Commission deems appropriate. Performance
8 metrics shall include one year of tracking data
9 collected in a consistent manner, verifiable by an
10 independent evaluator in order to establish a baseline
11 and measure outcomes and actual results against
12 projections where possible.

13 (F) For the purpose of determining reasonable
14 performance metrics and related incentives, the
15 Commission shall develop a methodology to calculate
16 net benefits that includes customer and societal costs
17 and benefits and quantifies the effect on delivery
18 rates. In determining the appropriate level of a
19 performance incentive, the Commission shall consider:
20 the extent to which the amount is likely to encourage
21 the utility to achieve the performance target in the
22 least cost manner; the value of benefits to customers,
23 the grid, public health and safety, and the
24 environment from achievement of the performance
25 target, including in particular benefits to equity
26 investment eligible community; the affordability of

1 customer's electric bills, including low-income
2 customers, the utility's revenue requirement, the
3 promotion of renewable and distributed energy, and
4 other such factors that the Commission deems
5 appropriate. The consideration of these factors shall
6 result in an incentive level that ensures benefits
7 exceed costs for customers.

8 (G) Achievement of performance metrics are based
9 on the assumptions that the utility will adopt or
10 implement the technology and equipment, and make the
11 investments to the extent reasonably necessary to
12 achieve the goal. If the electric utility is unable to
13 meet the performance metrics as a result of
14 extraordinary circumstances outside of its control,
15 including but not limited to government-declared
16 emergencies, then the utility shall be permitted to
17 file a petition with the Commission requesting that
18 the utility be excused from compliance with the
19 applicable performance goal or goals and the
20 associated financial incentives and penalties. The
21 burden of proof shall be on the utility, consistent
22 with Article IX, and the utility's petition shall be
23 supported by substantial evidence. The Commission
24 shall, after notice and hearing, enter its order
25 approving or denying, in whole or in part, the
26 utility's petition based on the extent to which the

1 utility demonstrated that its achievement of the
2 affected metrics and performance goals was hindered by
3 extraordinary circumstances outside of the utility's
4 control.

5 (3) The Commission shall approve reasonable and
6 appropriate tracking metrics to collect and monitor data
7 for the purpose of measuring and reporting utility
8 performance and for establishing future performance
9 metrics. These additional tracking metrics shall include
10 at least one metric from each of the following categories
11 of performance:

12 (A) Minimize emissions of greenhouse gases and
13 other air pollutants that harm human health,
14 particularly in environmental justice and equity
15 investment eligible communities, through minimizing
16 total emissions by accelerating electrification of
17 transportation, buildings and industries where such
18 electrification results in net reductions, across all
19 fuels and over the life of electrification measures,
20 of greenhouse gases and other pollutants, taking into
21 consideration the fuel mix used to produce electricity
22 at the relevant hour and the effect of accelerating
23 electrification on electricity delivery services
24 rates, supply prices and peak demand, provided the
25 revenues the utility receives from accelerating
26 electrification of transportation, buildings and

1 industries exceed the costs.

2 (B) Enhance the grid's flexibility to adapt to
3 increased deployment of nondispatchable resources,
4 improve the ability and performance of the grid on
5 load balancing, and offer a variety of rate plans to
6 match consumer consumption patterns and lower consumer
7 bills for electricity delivery and supply.

8 (C) Ensure rates reflect cost savings attributable
9 to grid modernization and utilize distributed energy
10 resources that allow the utility to defer or forgo
11 traditional grid investments that would otherwise be
12 required to provide safe and reliable service.

13 (D) Metrics designed to create and sustain
14 full-time-equivalent jobs and opportunities for all
15 segments of the population and workforce, including
16 minority-owned businesses, women-owned businesses,
17 veteran-owned businesses, and businesses owned by a
18 person or persons with a disability, and that do not,
19 consistent with State and federal law, discriminate
20 based on race or socioeconomic status as a result of
21 this amendatory Act of the 102nd General Assembly.

22 (E) Maximize and prioritize the allocation of grid
23 planning benefits to environmental justice and
24 economically disadvantaged customers and communities,
25 such that all metrics provide equitable benefits
26 across the utility's service territory and maintain

1 and improve utility customers' access to uninterrupted
2 utility services.

3 (4) The Commission may establish new tracking and
4 performance metrics in future Multi-Year Rate Plans to
5 further measure achievement of the outcomes set forth in
6 paragraph (2) of subsection (f) of this Section and the
7 other goals and requirements of this Section.

8 (5) The Commission shall also evaluate metrics that
9 were established in prior Multi-Year Rate Plans to
10 determine if there has been an unanticipated material
11 change in circumstances such that adjustments are required
12 to improve the likelihood of the outcomes described in
13 paragraph (2) of subsection (f). For metrics that were
14 established in prior Multi-Year Rate Plan proceedings and
15 that the Commission elects to continue, the design of
16 these metrics, including the goals of tracking metrics and
17 the targets and incentive levels and structures of
18 performance metrics, may be adjusted pursuant to the
19 requirements in this Section. The Commission may also
20 change, adjust or phase out tracking and performance
21 metrics that were established in prior Multi-Year Rate
22 Plan proceedings if these metrics no longer meet the
23 requirements of this Section or if they are rendered
24 obsolete by the changing needs and technology of an
25 evolving grid. Additionally, performance metrics that no
26 longer require an incentive to create improved utility

1 performance may become tracking metrics in a Multi-Year
2 Rate Plan proceeding.

3 (6) The Commission shall initiate a workshop process
4 no later than August 1, 2021, or 15 days after the
5 effective date of this amendatory Act of the 102nd General
6 Assembly, whichever is later, for the purpose of
7 facilitating the development of metrics for each utility.
8 The workshop shall be coordinated by the staff of the
9 Commission, or a facilitator retained by staff, and shall
10 be organized and facilitated in a manner that encourages
11 representation from diverse stakeholders and ensures
12 equitable opportunities for participation, without
13 requiring formal intervention or representation by an
14 attorney. Working with staff of the Commission the
15 facilitator may conduct a combination of workshops
16 specific to a utility or applicable to multiple utilities
17 where content and stakeholders are substantially similar.
18 The workshop process shall conclude no later than October
19 31, 2021. Following the workshop, the staff of the
20 Commission, or the facilitator retained by the Staff,
21 shall prepare and submit a report to the Commission that
22 identifies the participants in the process, the metrics
23 proposed during the process, any material issues that
24 remained unresolved at the conclusions of such process,
25 and any recommendations for workshop process improvements.
26 Any workshop participant may file comments and reply

1 comments in response to the Staff report.

2 (A) No later than January, 20, 2022, each electric
3 utility that intends to file a petition pursuant to
4 subsection (b) of this Section shall file a petition
5 with the Commission seeking approval of its
6 performance metrics, which shall include for each
7 metric, at a minimum, (i) a detailed description, (ii)
8 the calculation of the baseline, (iii) the performance
9 period and overall performance goal, provided that the
10 performance period shall not commence prior to January
11 1, 2024, (iv) each annual performance goal, (v) the
12 performance adjustment, which shall be a symmetrical
13 basis point increase or decrease to the utility's cost
14 of equity based on the extent to which the utility
15 achieved the annual performance goal, and (vi) the new
16 or modified tariff mechanism that will apply the
17 performance adjustments. The Commission shall issue
18 its order approving, or approving with modification,
19 the utility's proposed performance metrics no later
20 than September 30, 2022.

21 (B) No later than August 1, 2025, the Commission
22 shall initiate a workshop process that conforms to the
23 workshop purpose and requirements of this paragraph
24 (6) of this Section to the extent they do not conflict.
25 The workshop process shall conclude no later than
26 October 31, 2025, and the staff of the Commission, or

1 the facilitator retained by the Staff, shall prepare
2 and submit a report consistent with the requirements
3 described in this paragraph (6) of this Section. No
4 later than January 20, 2026, each electric utility
5 subject to the requirements of this Section shall file
6 a petition the reflects, and is consistent with, the
7 components required in this paragraph (6) of this
8 Section, and the Commission shall issue its order
9 approving, or approving with modification, the
10 utility's proposed performance metrics no later than
11 September 30, 2026.

12 (f) On May 1 of each year, following the approval of the
13 first Multi-Year Rate Plan and its initial year, the
14 Commission shall open an annual performance evaluation
15 proceeding to evaluate the utilities' performance on their
16 metric targets during the year just completed, as well as the
17 appropriate Annual Adjustment as defined in paragraph (6). The
18 Commission shall determine the performance and annual
19 adjustments to be applied through a surcharge in the following
20 calendar year.

21 (1) On February 15 of each year, prior to the annual
22 performance evaluation proceeding, each utility shall file
23 a performance evaluation report with the Commission that
24 includes a description of and all data supporting how the
25 utility performed under each performance metric and an
26 identification of any extraordinary events that adversely

1 impacted the utility's performance.

2 (2) The metrics approved under this Section are based
3 on the assumptions that the utility may fully implement
4 the technology and equipment, and make the investments,
5 required to achieve the metrics and performance goals. If
6 the utility is unable to meet the metrics and performance
7 goals because it was hindered by unanticipated technology
8 or equipment implementation delays, government-declared
9 emergencies, or other investment impediments, then the
10 utility shall be permitted to file a petition with the
11 Commission on or before the date that its report is due
12 pursuant to paragraph (1) of this subsection (f)
13 requesting that the utility be excused from compliance
14 with the applicable performance goal or goals. The burden
15 of proof shall be on the utility, consistent with Article
16 IX, and the utility's petition shall be supported by
17 substantial evidence. No later than 90 days after the
18 utility files its petition, the Commission shall, after
19 notice and hearing, enter its order approving or denying,
20 in whole or in part, the utility's petition based on the
21 extent to which the utility demonstrated that its
22 achievement of the affected metrics and performance goals
23 was hindered by unanticipated technology or equipment
24 implementation delays, or other investment impediments,
25 that were reasonably outside of the utility's control.

26 (3) The electric utility shall provide for an annual

1 independent evaluation of its performance on metrics. The
2 independent evaluator shall review the utility's
3 assumptions, baselines, targets, calculation
4 methodologies, and other relevant information, especially
5 ensuring that the utility's data for establishing
6 baselines matches actual performance, and shall provide a
7 report to the Commission in each annual performance
8 evaluation describing the results. The independent
9 evaluator shall present this report as evidence as a
10 nonparty participant and shall not be represented by the
11 utility's legal counsel. The independent evaluator shall
12 be hired through a competitive bidding process with
13 approval of the contract by the Commission.

14 The Commission shall consider the report of the
15 independent evaluator in determining the utility's
16 achievement of performance targets. Discrepancies between
17 the utility's assumptions, baselines, targets, or
18 calculations and those of the independent evaluator shall
19 be closely scrutinized by the Commission. If the
20 Commission finds that the utility's reported data for any
21 metric or metrics significantly and incorrectly deviates
22 from the data reported by the independent evaluator, then
23 the Commission shall order the utility to revise its data
24 collection and calculation process within 60 days, with
25 specifications where appropriate.

26 (4) The Commission shall, after notice and hearing in

1 the annual performance evaluation proceeding, enter an
2 order approving the utility's performance adjustment based
3 on its achievement of or failure to achieve its
4 performance targets no later than December 20 each year.
5 The Commission-approved penalties or incentives shall be
6 applied beginning with the next calendar year.

7 (5) In order to promote the transparency of utility
8 investments during the effective period of a multi-year
9 rate plan, inform the Commission's investigation and
10 adjustment of rates in the annual adjustment process, and
11 to facilitate the participation of stakeholders in the
12 annual adjustment process, an electric utility with an
13 effective Multi-Year Rate Plan shall, within 90 days of
14 the close of each quarter during the Multi-Year Rate Plan
15 period, submit to the Commission a report that summarizes
16 the additions to utility plant that were placed into
17 service during the prior quarter, which for purposes of
18 the report shall be the most recently closed fiscal
19 quarter. The report shall also summarize the utility plant
20 the electric utility projects it will place into service
21 through the end of the calendar year in which the report is
22 filed. The projections, estimates, plans, and
23 forward-looking information that are provided in the
24 reports pursuant to this paragraph (5) are for planning
25 purposes and are intended to be illustrative of the
26 investments that the utility proposes to make as of the

1 time of submittal. Nothing in this paragraph (5)
2 precludes, or is intended to limit, a utility's ability to
3 modify and update its projections, estimates, plans, and
4 forward-looking information previously submitted in order
5 to reflect stakeholder input or other new or updated
6 information and analysis, including, but not limited to,
7 changes in specific investment needs, customer electric
8 use patterns, customer applications and preferences, and
9 commercially available equipment and technologies, however
10 the utility shall explain any changes or deviations
11 between the projected investments from the quarterly
12 reports and actual investments in the annual report. The
13 reports submitted pursuant to this subsection are intended
14 to be flexible planning tools, and are expected to evolve
15 as new information becomes available. Within 7 days of
16 receiving a quarterly report, the Commission shall timely
17 make such report available to the public by posting it on
18 the Commission's website. Each quarterly report shall
19 include the following detail:

20 (A) The total dollar value of the additions to
21 utility plant placed in service during the prior
22 quarter;

23 (B) A list of the major investment categories the
24 electric utility used to manage its routine standing
25 operational activities during the prior quarter
26 including the total dollar amount for the work

1 reflected in each investment category in which utility
2 plant in service is equal to or greater than
3 \$2,000,000 for an electric utility that serves more
4 than 3,000,000 customers in the State or \$500,000 for
5 an electric utility that serves less than 3,000,000
6 customers but more than 500,000 customers in the State
7 as of the last day of the quarterly reporting period,
8 as well as a summary description of each investment
9 category;

10 (C) A list of the projects which the electric
11 utility has identified by a unique investment tracking
12 number for utility plant placed in service during the
13 prior quarter for utility plant placed in service with
14 a total dollar value as of the last day of the
15 quarterly reporting period that is equal to or greater
16 than \$2,000,000 for an electric utility that serves
17 more than 3,000,000 customers in the State or \$500,000
18 for an electric utility that serves less than
19 3,000,000 retail customers but more than \$500,000
20 retail customers in the State, as well as a summary of
21 each project;

22 (D) The estimated total dollar value of the
23 additions to utility plant projected to be placed in
24 service through the end of the calendar year in which
25 the report is filed;

26 (E) A list of the major investment categories the

1 electric utility used to manage its routine standing
2 operational activities with utility plant projected to
3 be placed in service through the end of the calendar
4 year in which the report is filed, including the total
5 dollar amount for the work reflected in each
6 investment category in which utility plant in service
7 is projected to be equal to or greater than \$2,000,000
8 for an electric utility that serves more than
9 3,000,000 customers in the State or \$500,000 for an
10 electric utility that serves less than 3,000,000
11 retail customers but more than 500,000 retail
12 customers in the State, as well as a summary
13 description of each investment category; and

14 (F) A list of the projects for which the electric
15 utility has identified by a unique investment tracking
16 number for utility plant projected to be placed in
17 service through the end of the calendar year in which
18 the report is filed with an estimated dollar value
19 that is equal to or greater than \$2,000,000 for an
20 electric utility that serves more than 3,000,000
21 customers in the State or \$500,000 for an electric
22 utility that serves less than 3,000,000 retails
23 customers but more than \$500,000 retail customers in
24 the State, as well as a summary description of each
25 project.

26 (6) As part of the Annual Performance Adjustment, the

1 electric utility shall submit evidence sufficient to
2 support a determination of its actual revenue requirement
3 for the applicable calendar year, consistent with the
4 provisions of paragraphs (d) and (f) of this subsection.
5 The electric utility shall bear the burden of
6 demonstrating that its costs were prudent and reasonable,
7 subject to the provisions of paragraph (4) of this
8 subsection (f). The Commission's review of the electric
9 utility's annual adjustment shall be based on the same
10 evidentiary standards, including, but not limited to,
11 those concerning the prudence and reasonableness of the
12 known and measurable costs forecasted to be incurred by
13 the utility, and the used and usefulness of the actual
14 plant investment pursuant to Section 9-211 of this Act,
15 that the Commission applies in a proceeding to review a
16 filing for changes in rates pursuant to Section 9-201 of
17 this Act. The Commission shall determine the prudence and
18 reasonableness of the actual costs incurred by the utility
19 during the applicable calendar year, as well as determine
20 the original cost of plant in service as of the end of the
21 applicable calendar year. The Commission shall then
22 determine the Annual Adjustment, which shall mean the
23 amount by which, the electric utility's actual revenue
24 requirement for the applicable year of the Multi-Year Rate
25 Plan either exceeded, or was exceeded by, the revenue
26 requirement approved by the Commission for such calendar

1 year, plus carrying costs calculated at the weighted
2 average cost of capital approved for the Multi-Year Rate
3 Plan.

4 The Commission's determination of the electric
5 utility's actual revenue requirement for the applicable
6 calendar year shall be based on:

7 (A) the Commission-approved used and useful,
8 prudent and reasonable actual costs for the applicable
9 calendar year, which shall be determined pursuant to
10 the following criteria:

11 (i) The overall level of actual costs incurred
12 during the calendar year, provided that the
13 Commission may not allow recovery of actual costs
14 that are more than 105% of the approved revenue
15 requirement calculated as provided in item (ii) of
16 this subparagraph (A), except to the extent the
17 Commission approves a modification of the
18 Multi-Year Rate Plan to permit such recovery.

19 (ii) The calculation of 105% of the revenue
20 requirement required by this subparagraph (A)
21 shall exclude the revenue requirement impacts of
22 the following volatile and fluctuating variables
23 that occurred during the year: (i) storms and
24 weather-related events for which the utility
25 provides sufficient evidence to demonstrate that
26 such expenses were not foreseeable and not in

1 control of the utility; (ii) new business; (iii)
2 changes in interest rates; (iv) changes in taxes;
3 (v) facility relocations; (vi) changes in pension
4 or post-retirement benefits costs due to
5 fluctuations in interest rates, market returns or
6 actuarial assumptions; (vii) amortization expenses
7 related to costs; and (viii) changes in the timing
8 of when an expenditure or investment is made such
9 that it is accelerated to occur during the
10 applicable year or deferred to occur in a
11 subsequent year.

12 (B) the year-end rate base;

13 (C) the cost of equity approved in the multi-year
14 rate plan; and

15 (D) the electric utility's actual year-end capital
16 structure, provided that the common equity ratio in
17 such capital structure may not exceed the common
18 equity ratio that was approved by the Commission in
19 the Multi-Year Rate Plan.

20 (2) The Commission's determinations of the prudence
21 and reasonableness of the costs incurred for the
22 applicable year, and of the original cost of plant in
23 service as of the end of the applicable calendar year,
24 shall be final upon entry of the Commission's order and
25 shall not be subject to collateral attack in any other
26 Commission proceeding, case, docket, order, rule, or

1 regulation; however, nothing in this Section shall
2 prohibit a party from petitioning the Commission to rehear
3 or appeal to the courts the order pursuant to the
4 provisions of this Act.

5 (g) During the period leading to approval of the first
6 Multi-Year Integrated Grid Plan, each electric utility will
7 necessarily continue to invest in its distribution grid. Those
8 investments will be subject to a determination of prudence and
9 reasonableness consistent with Commission practice and law.
10 Any failure to conform to the Multi-Year Integrated Grid Plan
11 ultimately approved shall not imply imprudence or
12 unreasonableness.

13 (h) After calculating the Performance Adjustment and
14 Annual Adjustment, the Commission shall order the electric
15 utility to collect the amount in excess of the revenue
16 requirement from customers, or issue a refund to customers, as
17 applicable, to be applied through a surcharge beginning with
18 the next calendar year.

19 Electric utilities subject to the requirements of this
20 Section shall be permitted to file new or revised tariffs to
21 comply with the provisions of, and Commission orders entered
22 pursuant to, this Section.

23 (220 ILCS 5/16-108.19 new)

24 Sec. 16-108.19. Division of Integrated Distribution
25 Planning.

1 (a) The Commission shall establish the Division of
2 Integrated Distribution Planning within the Bureau of Public
3 Utilities. The Division shall be staffed by no less than 13
4 professionals, including engineers, rate analysts,
5 accountants, policy analysts, utility research and analysis
6 analysts, cybersecurity analysts, informational technology
7 specialists, and lawyers to review and evaluate Integrated
8 Grid Plans, updates to Integrated Grid Plans, audits, and
9 other duties as assigned by the Chief of the Public Utilities
10 Bureau.

11 (b) The Division of Integrated Distribution Planning shall
12 be established by January 1, 2022.

13 (220 ILCS 5/16-108.20 new)

14 Sec. 16-108.20. Cost-effectiveness incentive.

15 (a) The General Assembly finds that it is critical to
16 maintain this focus on utility bill affordability as the State
17 transitions to a clean energy economy. The General Assembly
18 accordingly finds that it may be in the public interest to
19 incentivize electric utilities to reduce spending where
20 practicable and where such reduction will not have an adverse
21 impact on the State's clean energy goals; this Act's
22 overarching objectives of efficiency, environmental quality,
23 reliability, and equity; or the utility's achievement on its
24 metrics.

25 (b) In addition to the performance metrics established and

1 approved by the Commission pursuant to Section 16-108.18 of
2 this Act, the Commission may also determine whether each
3 electric utility that serves more than 500,000 retail
4 customers in the State may also be subject to a performance
5 metric that incentivizes the utility to make cost-effective
6 choices and stretch to achieve cost savings for public utility
7 customers where it can do so without adverse impact (on
8 efficiency, environmental quality, reliability or equity).

9 (c) The Commission shall initiate a docket on the subject
10 of cost-effective shared savings, and shall make a
11 determination if it would be in the public interest and the
12 best interest of electric utility customers to establish a
13 performance metric that incentivizes utilities to reduce their
14 costs while meeting all other performance metrics and
15 addressing state goals as found in this Act.

16 (d) At the conclusion of the docket, if the Commission
17 determines that such an incentive is in the best interest of
18 consumers, the Commission shall have the authority to set a
19 specific metric as part of the performance metric process
20 pursuant to Section 16-108.18. Such metric shall include a
21 determination of the percentage of the shared savings to be
22 returned to the customers and to the utility. Such percentage
23 shall be set so as to incentivize the utility to make savings,
24 while providing substantial benefits to consumers.

1 Sec. 16-108.21. Accelerated repayment of excess deferred
2 income tax.

3 (a) The General Assembly finds:

4 (1) That a portion of each utility's compensation from
5 ratepayers is attributable to reimbursement for federal
6 taxes paid by the utility.

7 (2) Due to the enactment of the 2017 Tax Cut and Jobs
8 Act, the federal income tax rate for corporations was
9 lowered, resulting in excess deferred income tax for
10 distribution utilities in the State that serve more than
11 100,000 customers.

12 (3) In proceedings before the Commission, it was
13 determined that the repayment period to ratepayers by the
14 utilities which serve more than 100,000 customers in this
15 State for this excess deferred income tax would be 39.5
16 years.

17 (4) The COVID-19 pandemic has harmed many customers of
18 all rate classes in the State, and resulted in the
19 Commission adopting a number of measures to provide relief
20 for customers.

21 (5) It would be in the interest of the State for the
22 repayment of the excess deferred income tax referenced in
23 Commission Dockets 19-0436, 19-0387, 20-0381, and 20-0393
24 to be paid back to ratepayers on a timetable greatly
25 accelerated from that set forth in the dockets.

26 (b) Notwithstanding the Commission Orders in Dockets

1 19-0436, 19-0387, 20-0381, and 20-0382, the excess deferred
2 income tax referenced in those dockets shall be fully refunded
3 to ratepayers by the respective utilities no later than
4 December 31, 2025.

5 (c) The Commission shall initiate a docket to provide for
6 the refunding of these excess deferred income taxes to
7 ratepayers of the utilities referenced in those dockets, and
8 shall set forth any necessary provisions to accomplish the
9 reimbursement on the schedule delineated in subsection (b).

10 (220 ILCS 5/16-108.25 new)

11 Sec. 16-108.25. Tariff regarding transition in rates. Each
12 electric utility that files a Multi-Year Rate Plan pursuant to
13 Section 16-108.18 of this Act or a general rate case as
14 described in this Act shall also file a tariff that sets forth
15 the processes and procedures by which the electric utility
16 will transition from its current rates and ratemaking
17 mechanism to the new Multi-Year Rate Plan or a general rate
18 case and rates that will take effect under that multi-year
19 plan. The proposed tariff shall be consistent with the tariff
20 approved by the Commission in Docket No. 20-0426 and covers
21 the period until the new delivery rates are effective and all
22 required processes and procedures described in the tariff have
23 been completed.

24 Each electric utility subject to this Section shall file
25 its proposed tariff no later than 30 days after the effective

1 date of this amendatory Act of the 102nd General Assembly, and
2 the Commission shall enter its order approving the tariff no
3 later than 120 days after it was filed if the Commission finds
4 that the proposed tariff is consistent with the tariff
5 previously approved in Docket No. 20-0426 for the period until
6 the new delivery rates are effective and all required
7 processes and procedures described in the tariff have been
8 completed. If the Commission does not so find, then the
9 Commission shall approve the utility's tariff with those
10 modifications that are required to make the proposed tariff
11 consistent with the tariff approved in Docket 20-0426 until
12 the new delivery rates are effective and all required
13 processes and procedures described in the tariff have been
14 completed.

15 An electric utility that has a tariff in effect on the
16 effective date of this amendatory Act of the 102nd General
17 Assembly that provides for the transition from its current
18 rates and ratemaking mechanism to new base rates approved
19 pursuant to Article IX of this Act, shall file a compliance
20 tariff modifying its existing tariff to comply with the
21 provisions of this Section. The compliance tariff shall go
22 into effect on 45 days' notice.

23 (220 ILCS 5/16-108.30 new)

24 Sec. 16-108.30. Energy Transition Assistance Fund.

25 (a) The Energy Transition Assistance Fund is hereby

1 created as a special fund in the State Treasury. The Energy
2 Transition Assistance Fund is authorized to receive moneys
3 collected pursuant to this Section. Subject to appropriation,
4 the Department of Commerce and Economic Opportunity shall use
5 moneys from the Energy Transition Assistance Fund consistent
6 with the purposes of this Act.

7 (b) An electric utility serving more than 500,000
8 customers in the State shall assess an energy transition
9 assistance charge on all its retail customers for the Energy
10 Transition Assistance Fund. The utility's total charge shall
11 be set based upon the value determined by the Department of
12 Commerce and Economic Opportunity pursuant to subsection (d)
13 or (e), as applicable, of Section 605-1075 of the Department
14 of Commerce and Economic Opportunity Law of the Civil
15 Administrative Code of Illinois. For each utility, the charge
16 shall be recovered through a single, uniform cents per
17 kilowatt-hour charge applicable to all retail customers. For
18 each utility, the charge shall not exceed 1.45% of the amount
19 paid per kilowatthour by those customers during the year
20 ending May 31, 2009.

21 (c) Within 75 days of the effective date of this
22 amendatory Act of the 102nd General Assembly, each electric
23 utility serving more than 500,000 customers in the State shall
24 file with the Illinois Commerce Commission tariffs
25 incorporating the energy transition assistance charge in other
26 charges stated in such tariffs, which energy transition

1 assistance charges shall become effective no later than the
2 beginning of the first billing cycle that begins on or after
3 January 1, 2022. Each electric utility serving more than
4 500,000 customers in the State shall, prior to the beginning
5 of each calendar year starting with calendar year 2023, file
6 with the Illinois Commerce Commission tariff revisions to
7 incorporate annual revisions to the energy transition
8 assistance charge as prescribed by the Department of Commerce
9 and Economic Opportunity pursuant to Section 605-1075 of the
10 Department of Commerce and Economic Opportunity Law of the
11 Civil Administrative Code of Illinois so that such revision
12 becomes effective no later than the beginning of the first
13 billing cycle in each respective year.

14 (d) The energy transition assistance charge shall be
15 considered a charge for public utility service.

16 (e) By the 20th day of the month following the month in
17 which the charges imposed by this Section were collected, each
18 electric utility serving more than 500,000 customers in the
19 State shall remit to Department of Revenue all moneys received
20 as payment of the energy transition assistance charge on a
21 return prescribed and furnished by the Department of Revenue
22 showing such information as the Department of Revenue may
23 reasonably require. If a customer makes a partial payment, a
24 public utility may apply such partial payments first to
25 amounts owed to the utility. No customer may be subjected to
26 disconnection of his or her utility service for failure to pay

1 the energy transition assistance charge.

2 If any payment provided for in this subsection exceeds the
3 electric utility's liabilities under this Act, as shown on an
4 original return, the Department may authorize the electric
5 utility to credit such excess payment against liability
6 subsequently to be remitted to the Department under this Act,
7 in accordance with reasonable rules adopted by the Department.

8 All the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e,
9 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13
10 of the Retailers' Occupation Tax Act that are not inconsistent
11 with this Act apply, as far as practicable, to the charge
12 imposed by this Act to the same extent as if those provisions
13 were included in this Act. References in the incorporated
14 Sections of the Retailers' Occupation Tax Act to retailers, to
15 sellers, or to persons engaged in the business of selling
16 tangible personal property mean persons required to remit the
17 charge imposed under this Act.

18 (f) The Department of Revenue shall deposit into the
19 Energy Transition Assistance Fund all moneys remitted to it in
20 accordance with this Section.

21 (g) The Department of Revenue may establish such rules as
22 it deems necessary to implement this Section.

23 (h) The Department of Commerce and Economic Opportunity
24 may establish such rules as it deems necessary to implement
25 this Section.

1 (220 ILCS 5/16-111.5)

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

3 (a) An electric utility that on December 31, 2005 served
4 at least 100,000 customers in Illinois shall procure power and
5 energy for its eligible retail customers in accordance with
6 the applicable provisions set forth in Section 1-75 of the
7 Illinois Power Agency Act and this Section. Beginning with the
8 delivery year commencing on June 1, 2017, such electric
9 utility shall also procure zero emission credits from zero
10 emission facilities in accordance with the applicable
11 provisions set forth in Section 1-75 of the Illinois Power
12 Agency Act, and, for years beginning on or after June 1, 2017,
13 the utility shall procure renewable energy resources in
14 accordance with the applicable provisions set forth in Section
15 1-75 of the Illinois Power Agency Act and this Section.
16 Beginning with the delivery year commencing on June 1, 2022,
17 an electric utility serving over 3,000,000 customers shall
18 also procure carbon mitigation credits from carbon-free energy
19 resources in accordance with the applicable provisions set
20 forth in Section 1-75 of the Illinois Power Agency Act and this
21 Section. A small multi-jurisdictional electric utility that on
22 December 31, 2005 served less than 100,000 customers in
23 Illinois may elect to procure power and energy for all or a
24 portion of its eligible Illinois retail customers in
25 accordance with the applicable provisions set forth in this
26 Section and Section 1-75 of the Illinois Power Agency Act.

1 This Section shall not apply to a small multi-jurisdictional
2 utility until such time as a small multi-jurisdictional
3 utility requests the Illinois Power Agency to prepare a
4 procurement plan for its eligible retail customers. "Eligible
5 retail customers" for the purposes of this Section means those
6 retail customers that purchase power and energy from the
7 electric utility under fixed-price bundled service tariffs,
8 other than those retail customers whose service is declared or
9 deemed competitive under Section 16-113 and those other
10 customer groups specified in this Section, including
11 self-generating customers, customers electing hourly pricing,
12 or those customers who are otherwise ineligible for
13 fixed-price bundled tariff service. For those customers that
14 are excluded from the procurement plan's electric supply
15 service requirements, and the utility shall procure any supply
16 requirements, including capacity, ancillary services, and
17 hourly priced energy, in the applicable markets as needed to
18 serve those customers, provided that the utility may include
19 in its procurement plan load requirements for the load that is
20 associated with those retail customers whose service has been
21 declared or deemed competitive pursuant to Section 16-113 of
22 this Act to the extent that those customers are purchasing
23 power and energy during one of the transition periods
24 identified in subsection (b) of Section 16-113 of this Act.

25 (b) A procurement plan shall be prepared for each electric
26 utility consistent with the applicable requirements of the

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

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

1 (i) multi-year historical analysis of hourly
2 loads;

3 (ii) switching trends and competitive retail
4 market analysis;

5 (iii) known or projected changes to future loads;
6 and

7 (iv) growth forecasts by customer class.

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

10 (i) the impact of demand response programs and
11 energy efficiency programs, both current and
12 projected; for small multi-jurisdictional utilities,
13 the impact of demand response and energy efficiency
14 programs approved pursuant to Section 8-408 of this
15 Act, both current and projected; and

16 (ii) supply side needs that are projected to be
17 offset by purchases of renewable energy resources, if
18 any.

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

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

24 (ii) the proposed mix of demand-response products
25 for which contracts will be executed during the next
26 year. For small multi-jurisdictional electric

1 utilities that on December 31, 2005 served fewer than
2 100,000 customers in Illinois, these shall be defined
3 as demand-response products offered in an energy
4 efficiency plan approved pursuant to Section 8-408 of
5 this Act. The cost-effective demand-response measures
6 shall be procured whenever the cost is lower than
7 procuring comparable capacity products, provided that
8 such products shall:

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

12 (B) at least satisfy the demand-response
13 requirements of the regional transmission
14 organization market in which the utility's service
15 territory is located, including, but not limited
16 to, any applicable capacity or dispatch
17 requirements;

18 (C) provide for customers' participation in
19 the stream of benefits produced by the
20 demand-response products;

21 (D) provide for reimbursement by the
22 demand-response provider of the utility for any
23 costs incurred as a result of the failure of the
24 supplier of such products to perform its
25 obligations thereunder; and

26 (E) meet the same credit requirements as apply

1 to suppliers of capacity, in the applicable
2 regional transmission organization market;

3 (iii) monthly forecasted system supply
4 requirements, including expected minimum, maximum, and
5 average values for the planning period;

6 (iv) the proposed mix and selection of standard
7 wholesale products for which contracts will be
8 executed during the next year, separately or in
9 combination, to meet that portion of its load
10 requirements not met through pre-existing contracts,
11 including but not limited to monthly 5 x 16 peak period
12 block energy, monthly off-peak wrap energy, monthly 7
13 x 24 energy, annual 5 x 16 energy, other standardized
14 energy or capacity products designed to provide
15 eligible retail customer benefits from commercially
16 deployed advanced technologies including but not
17 limited to high voltage direct current converter
18 stations, as such term is defined in Section 1-10 of
19 the Illinois Power Agency Act, whether or not such
20 product is currently available in wholesale markets,
21 annual off-peak wrap energy, annual 7 x 24 energy,
22 monthly capacity, annual capacity, peak load capacity
23 obligations, capacity purchase plan, and ancillary
24 services;

25 (v) proposed term structures for each wholesale
26 product type included in the proposed procurement plan

1 portfolio of products; and

2 (vi) an assessment of the price risk, load
3 uncertainty, and other factors that are associated
4 with the proposed procurement plan; this assessment,
5 to the extent possible, shall include an analysis of
6 the following factors: contract terms, time frames for
7 securing products or services, fuel costs, weather
8 patterns, transmission costs, market conditions, and
9 the governmental regulatory environment; the proposed
10 procurement plan shall also identify alternatives for
11 those portfolio measures that are identified as having
12 significant price risk and mitigation in the form of
13 additional retail customer and ratepayer price,
14 reliability, and environmental benefits from
15 standardized energy products delivered from
16 commercially deployed advanced technologies,
17 including, but not limited to, high voltage direct
18 current converter stations, as such term is defined in
19 Section 1-10 of the Illinois Power Agency Act, whether
20 or not such product is currently available in
21 wholesale markets.

22 (4) Proposed procedures for balancing loads. The
23 procurement plan shall include, for load requirements
24 included in the procurement plan, the process for (i)
25 hourly balancing of supply and demand and (ii) the
26 criteria for portfolio re-balancing in the event of

1 significant shifts in load.

2 (5) Long-Term Renewable Resources Procurement Plan.
3 The Agency shall prepare a long-term renewable resources
4 procurement plan for the procurement of renewable energy
5 credits under Sections 1-56 and 1-75 of the Illinois Power
6 Agency Act for delivery beginning in the 2017 delivery
7 year.

8 (i) The initial long-term renewable resources
9 procurement plan and all subsequent revisions shall be
10 subject to review and approval by the Commission. For
11 the purposes of this Section, "delivery year" has the
12 same meaning as in Section 1-10 of the Illinois Power
13 Agency Act. For purposes of this Section, "Agency"
14 shall mean the Illinois Power Agency.

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

17 (A) Electric utilities shall provide a range
18 of load forecasts to the Illinois Power Agency
19 within 45 days of the Agency's request for
20 forecasts, which request shall specify the length
21 and conditions for the forecasts including, but
22 not limited to, the quantity of distributed
23 generation expected to be interconnected for each
24 year.

25 (B) The Agency shall publish for comment the
26 initial long-term renewable resources procurement

1 plan no later than 120 days after the effective
2 date of this amendatory Act of the 99th General
3 Assembly and shall review, and may revise, the
4 plan at least every 2 years thereafter. To the
5 extent practicable, the Agency shall review and
6 propose any revisions to the long-term renewable
7 energy resources procurement plan in conjunction
8 with the Agency's other planning and approval
9 processes conducted under this Section. The
10 initial long-term renewable resources procurement
11 plan shall:

12 (aa) Identify the procurement programs and
13 competitive procurement events consistent with
14 the applicable requirements of the Illinois
15 Power Agency Act and shall be designed to
16 achieve the goals set forth in subsection (c)
17 of Section 1-75 of that Act.

18 (bb) Include a schedule for procurements
19 for renewable energy credits from
20 utility-scale wind projects, utility-scale
21 solar projects, and brownfield site
22 photovoltaic projects consistent with
23 subparagraph (G) of paragraph (1) of
24 subsection (c) of Section 1-75 of the Illinois
25 Power Agency Act.

26 (cc) Identify the process whereby the

1 Agency will submit to the Commission for
2 review and approval the proposed contracts to
3 implement the programs required by such plan.

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

1 renewable resources procurement plan based on the
2 comments received and shall file the plan with the
3 Commission for review and approval.

4 (C) Within 14 days after the filing of the
5 initial long-term renewable resources procurement
6 plan or any subsequent revisions, any person
7 objecting to the plan may file an objection with
8 the Commission. Within 21 days after the filing of
9 the plan, the Commission shall determine whether a
10 hearing is necessary. The Commission shall enter
11 its order confirming or modifying the initial
12 long-term renewable resources procurement plan or
13 any subsequent revisions within 120 days after the
14 filing of the plan by the Illinois Power Agency.

15 (D) The Commission shall approve the initial
16 long-term renewable resources procurement plan and
17 any subsequent revisions, including expressly the
18 forecast used in the plan and taking into account
19 that funding will be limited to the amount of
20 revenues actually collected by the utilities, if
21 the Commission determines that the plan will
22 reasonably and prudently accomplish the
23 requirements of Section 1-56 and subsection (c) of
24 Section 1-75 of the Illinois Power Agency Act. The
25 Commission shall also approve the process for the
26 submission, review, and approval of the proposed

1 contracts to procure renewable energy credits or
2 implement the programs authorized by the
3 Commission pursuant to a long-term renewable
4 resources procurement plan approved under this
5 Section.

6 In approving any long-term renewable resources
7 procurement plan after the effective date of this
8 amendatory Act of the 102nd General Assembly, the
9 Commission shall approve or modify the Agency's
10 proposal for minimum equity standards pursuant to
11 subsection (c-10) of Section 1-75 of the Illinois
12 Power Agency Act. The Commission shall consider
13 any analysis performed by the Agency in developing
14 its proposal, including past performance,
15 availability of equity eligible contractors, and
16 availability of equity eligible persons at the
17 time the long-term renewable resources procurement
18 plan is approved.

19 (iii) The Agency or third parties contracted by
20 the Agency shall implement all programs authorized by
21 the Commission in an approved long-term renewable
22 resources procurement plan without further review and
23 approval by the Commission. Third parties shall not
24 begin implementing any programs or receive any payment
25 under this Section until the Commission has approved
26 the contract or contracts under the process authorized

1 by the Commission in item (D) of subparagraph (ii) of
2 paragraph (5) of this subsection (b) and the third
3 party and the Agency or utility, as applicable, have
4 executed the contract. For those renewable energy
5 credits subject to procurement through a competitive
6 bid process under the plan or under the initial
7 forward procurements for wind and solar resources
8 described in subparagraph (G) of paragraph (1) of
9 subsection (c) of Section 1-75 of the Illinois Power
10 Agency Act, the Agency shall follow the procurement
11 process specified in the provisions relating to
12 electricity procurement in subsections (e) through (i)
13 of this Section.

14 (iv) An electric utility shall recover its costs
15 associated with the procurement of renewable energy
16 credits under this Section and pursuant to subsection
17 (c-5) of Section 1-75 of the Illinois Power Agency Act
18 through an automatic adjustment clause tariff under
19 subsection (k) or a tariff pursuant to subsection
20 (i-5), as applicable, of Section 16-108 of this Act. A
21 utility shall not be required to advance any payment
22 or pay any amounts under this Section that exceed the
23 actual amount of revenues collected by the utility
24 under paragraph (6) of subsection (c) of Section 1-75
25 of the Illinois Power Agency Act, subsection (c-5) of
26 Section 1-75 of the Illinois Power Agency Act, and

1 subsection (k) or subsection (i-5), as applicable, of
2 Section 16-108 of this Act, and contracts executed
3 under this Section shall expressly incorporate this
4 limitation.

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

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

15 (b-5) An electric utility that as of January 1, 2019
16 served more than 300,000 retail customers in this State shall
17 purchase renewable energy credits from new renewable energy
18 facilities constructed at or adjacent to the sites of
19 coal-fueled electric generating facilities in this State in
20 accordance with subsection (c-5) of Section 1-75 of the
21 Illinois Power Agency Act. Except as expressly provided in
22 this Section, the plans and procedures for such procurements
23 shall not be included in the procurement plans provided for in
24 this Section, but rather shall be conducted and implemented
25 solely in accordance with subsection (c-5) of Section 1-75 of
26 the Illinois Power Agency Act.

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

17 (1) The procurement administrator shall:

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

22 (ii) develop benchmarks in accordance with
23 subsection (e)(3) to be used to evaluate bids; these
24 benchmarks shall be submitted to the Commission for
25 review and approval on a confidential basis prior to
26 the procurement event;

1 (iii) serve as the interface between the electric
2 utility and suppliers;

3 (iv) manage the bidder pre-qualification and
4 registration process;

5 (v) obtain the electric utilities' agreement to
6 the final form of all supply contracts and credit
7 collateral agreements;

8 (vi) administer the request for proposals process;

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

21 (viii) maintain confidentiality of supplier and
22 bidding information in a manner consistent with all
23 applicable laws, rules, regulations, and tariffs;

24 (ix) submit a confidential report to the
25 Commission recommending acceptance or rejection of
26 bids;

1 (x) notify the utility of contract counterparties
2 and contract specifics; and

3 (xi) administer related contingency procurement
4 events.

5 (2) The procurement monitor, who shall be retained by
6 the Commission, shall:

7 (i) monitor interactions among the procurement
8 administrator, suppliers, and utility;

9 (ii) monitor and report to the Commission on the
10 progress of the procurement process;

11 (iii) provide an independent confidential report
12 to the Commission regarding the results of the
13 procurement event;

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

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

23 (vi) provide expert advice to the Commission and
24 consult with the procurement administrator regarding
25 issues related to procurement process design, rules,
26 protocols, and policy-related matters; and

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

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

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

19 (2) Beginning in 2008, the Illinois Power Agency shall
20 prepare a procurement plan by August 15th of each year, or
21 such other date as may be required by the Commission. The
22 procurement plan shall identify the portfolio of
23 demand-response and power and energy products to be
24 procured. Cost-effective demand-response measures shall be
25 procured as set forth in item (iii) of subsection (b) of
26 this Section. Copies of the procurement plan shall be

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

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

1 days after the filing of the procurement plan by the
2 Illinois Power Agency.

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

10 (4.5) The Commission shall review the Agency's
11 recommendations for the selection of applicants to enter
12 into long-term contracts for the sale and delivery of
13 renewable energy credits from new renewable energy
14 facilities to be constructed at or adjacent to the sites
15 of coal-fueled electric generating facilities in this
16 State in accordance with the provisions of subsection
17 (c-5) of Section 1-75 of the Illinois Power Agency Act,
18 and shall approve the Agency's recommendations if the
19 Commission determines that the applicants recommended by
20 the Agency for selection, the proposed new renewable
21 energy facilities to be constructed, the amounts of
22 renewable energy credits to be delivered pursuant to the
23 contracts, and the other terms of the contracts, are
24 consistent with the requirements of subsection (c-5) of
25 Section 1-75 of the Illinois Power Agency Act.

26 (e) The procurement process shall include each of the

1 following components:

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

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

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

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

1 reflected in the underlying data sources and the specific
2 products and procurement process being used to procure
3 power for the Illinois utilities. The benchmarks shall be
4 confidential but shall be provided to, and will be subject
5 to Commission review and approval, prior to a procurement
6 event.

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

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

20 (i) Event of supplier default: In the event of
21 supplier default, the utility shall review the
22 contract of the defaulting supplier to determine if
23 the amount of supply is 200 megawatts or greater, and
24 if there are more than 60 days remaining of the
25 contract term. If both of these conditions are met,
26 and the default results in termination of the

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

17 (ii) Failure of the procurement process to fully
18 meet the expected load requirement: If the procurement
19 process fails to fully meet the expected load
20 requirement due to insufficient supplier participation
21 or due to a Commission rejection of the procurement
22 results, the procurement administrator, the
23 procurement monitor, and the Commission staff shall
24 meet within 10 days to analyze potential causes of low
25 supplier interest or causes for the Commission
26 decision. If changes are identified that would likely

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

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

24 (6) The procurement processes ~~process~~ described in
25 this subsection and in subsection (c-5) of Section 1-75 of
26 the Illinois Power Agency Act are ~~is~~ exempt from the

1 requirements of the Illinois Procurement Code, pursuant to
2 Section 20-10 of that Code.

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

20 (g) Within 3 business days after the Commission decision
21 approving the results of a procurement event, the utility
22 shall enter into binding contractual arrangements with the
23 winning suppliers using the standard form contracts; except
24 that the utility shall not be required either directly or
25 indirectly to execute the contracts if a tariff that is
26 consistent with subsection (l) of this Section has not been

1 approved and placed into effect for that utility.

2 (h) For the procurement of standard wholesale products,
3 the names of the successful bidders and the load weighted
4 average of the winning bid prices for each contract type and
5 for each contract term shall be made available to the public at
6 the time of Commission approval of a procurement event. For
7 procurements conducted to meet the requirements of subsection
8 (b) of Section 1-56 or subsection (c) of Section 1-75 of the
9 Illinois Power Agency Act governed by the provisions of this
10 Section, the address and nameplate capacity of the new
11 renewable energy generating facility proposed by a winning
12 bidder shall also be made available to the public at the time
13 of Commission approval of a procurement event, along with the
14 business address and contact information for any winning
15 bidder. An estimate or approximation of the nameplate capacity
16 of the new renewable energy generating facility may be
17 disclosed if necessary to protect the confidentiality of
18 individual bid prices.

19 The Commission, the procurement monitor, the procurement
20 administrator, the Illinois Power Agency, and all participants
21 in the procurement process shall maintain the confidentiality
22 of all other supplier and bidding information in a manner
23 consistent with all applicable laws, rules, regulations, and
24 tariffs. Confidential information, including the confidential
25 reports submitted by the procurement administrator and
26 procurement monitor pursuant to subsection (f) of this

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

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

1 applicable, by customer supply group reflecting the costs
2 associated with the procurement and computed in accordance
3 with the tariffs filed pursuant to subsection (l) of this
4 Section and approved by the Commission.

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

24 (i) Within 14 days following filing of the initial
25 procurement plan, any person may file a detailed objection
26 with the Commission contesting the procurement plan

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

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

22 (k) (Blank).

23 (k-5) (Blank).

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

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

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

1 (i-5), as applicable, of Section 16-108 of this Act, and shall
2 not be recovered through the electric utility's tariffed
3 charges for electric power and energy supply to its eligible
4 retail customers.

5 (m) The Commission has the authority to adopt rules to
6 carry out the provisions of this Section. For the public
7 interest, safety, and welfare, the Commission also has
8 authority to adopt rules to carry out the provisions of this
9 Section on an emergency basis immediately following August 28,
10 2007 (the effective date of Public Act 95-481).

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

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

23 (p) An electric utility subject to this Section may
24 propose to invest, lease, own, or operate an electric
25 generation facility as part of its procurement plan, provided
26 the utility demonstrates that such facility is the least-cost

1 option to provide electric service to those retail customers
2 included in the plan's electric supply service requirements.
3 If the facility is shown to be the least-cost option and is
4 included in a procurement plan prepared in accordance with
5 Section 1-75 of the Illinois Power Agency Act and this
6 Section, then the electric utility shall make a filing
7 pursuant to Section 8-406 of this Act, and may request of the
8 Commission any statutory relief required thereunder. If the
9 Commission grants all of the necessary approvals for the
10 proposed facility, such supply shall thereafter be considered
11 as a pre-existing contract under subsection (b) of this
12 Section. The Commission shall in any order approving a
13 proposal under this subsection specify how the utility will
14 recover the prudently incurred costs of investing in, leasing,
15 owning, or operating such generation facility through just and
16 reasonable rates charged to those retail customers included in
17 the plan's electric supply service requirements. Cost recovery
18 for facilities included in the utility's procurement plan
19 pursuant to this subsection shall not be subject to review
20 under or in any way limited by the provisions of Section
21 16-111(i) of this Act. Nothing in this Section is intended to
22 prohibit a utility from filing for a fuel adjustment clause as
23 is otherwise permitted under Section 9-220 of this Act.

24 (q) If the Illinois Power Agency filed with the
25 Commission, under Section 16-111.5 of this Act, its proposed
26 procurement plan for the period commencing June 1, 2017, and

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

22 This amendatory Act of the 99th General Assembly preempts
23 and supersedes any order entered by the Commission that
24 approved the Illinois Power Agency's procurement plan for the
25 period commencing June 1, 2017, to the extent it is
26 inconsistent with the provisions of this amendatory Act of the

1 99th General Assembly. To the extent any previously entered
2 order approved the procurement of renewable energy resources,
3 the portion of that order approving the procurement shall be
4 void, other than the procurement of renewable energy credits
5 from distributed renewable energy generation devices using
6 funds previously collected from electric utilities' retail
7 customers that take service under electric utilities' hourly
8 pricing tariff or tariffs and, for an electric utility that
9 serves less than 100,000 retail customers in the State, other
10 than the procurement of renewable energy credits for
11 distributed renewable energy generation devices.

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

13 (220 ILCS 5/16-111.10 new)

14 Sec. 16-111.10. Equitable Energy Upgrade Program.

15 (a) The General Assembly finds and declares that Illinois
16 homes and businesses can contribute to the creation of a clean
17 energy economy, conservation of natural resources, and
18 reliability of the electricity grid through the installation
19 of cost-effective renewable energy generation, energy
20 efficiency and demand response equipment, and energy storage
21 systems. Further, a large portion of Illinois residents and
22 businesses that would benefit from the installation of energy
23 efficiency, storage, and renewable energy generation systems
24 are unable to purchase systems due to capital or credit
25 barriers. This State should pursue options to enable many more

1 Illinoisans to access the health, environmental, and financial
2 benefits of new clean energy technology.

3 (b) As used in this Section:

4 "Commission" means the Illinois Commerce Commission.

5 "Energy project" means renewable energy generation
6 systems, including solar projects, energy efficiency upgrades,
7 energy storage systems, demand response equipment, or any
8 combination thereof.

9 "Fund" means the Clean Energy Jobs and Justice Fund
10 established in the Clean Energy Jobs and Justice Fund Act.

11 "Program" means the Equitable Energy Upgrade Program
12 established under subsection (c).

13 "Utility" means electric public utilities providing
14 services to 500,000 or more customers under this Act.

15 (c) The Commission shall open an investigation into and
16 direct all electric public utilities in this State to adopt an
17 Equitable Energy Upgrade Program that permits customers to
18 finance the construction of energy projects through an
19 optional tariff payable directly through their utility bill,
20 modeled after the Pay As You Save system, developed by the
21 Energy Efficiency Institute. The Program model shall enable
22 utilities to offer to make investments in energy projects to
23 customer properties with low-cost capital and use an opt-in
24 tariff to recover the costs. The Program shall be designed to
25 provide customers with immediate financial savings if they
26 choose to participate. The Program shall allow residential

1 electric utility customers that own the property, or renters
2 that have permission of the property owner, for which they
3 subscribe to utility service to agree to the installation of
4 an energy project. The Program shall ensure:

5 (1) eligible projects do not require upfront payments;
6 however, customers may pay down the costs for projects
7 with a payment to the installing contractor in order to
8 qualify projects that would otherwise require upfront
9 payments;

10 (2) eligible projects have sufficient estimated
11 savings and estimated life span to produce significant,
12 immediate net savings;

13 (3) participants shall agree the utility can recover
14 its costs for the projects at their location by paying for
15 the project through an optional tariff directly through
16 the participant's electricity bill, allowing participants
17 to benefit from installation of energy projects without
18 traditional loans;

19 (4) accessibility by lower-income residents and
20 environmental justice community residents; and

21 (5) the utility must ensure that customers who are
22 interested in participating are notified that if they are
23 income qualified, they may also be eligible for the
24 Percentage of Income Payment Plan program and free energy
25 improvements through other programs and provide contact
26 information.

1 (d) The Commission shall establish Program guidelines with
2 the anticipated schedule of Program availability as follows:

3 (1) Year 1: Beginning in the first year of operation,
4 each utility with greater than 100,000 retail customers is
5 required to obtain low-cost capital of at least
6 \$20,000,000 annually for investments in energy projects.

7 (2) Year 2: Beginning in the second year of operation,
8 each utility with greater than 100,000 retail customers is
9 required to obtain low-cost capital for investments in
10 energy projects of at least \$40,000,000 annually.

11 (3) Year 3: Beginning in the third year of operation,
12 each utility with greater than 100,000 retail customers is
13 required to obtain low-cost capital for investments in as
14 many systems as customers demand, subject to available
15 capital provided by the utility, State, or other lenders.

16 (e) In the design of the Program, the Commission shall:

17 (1) Within 270 days after the effective date of this
18 amendatory Act of the 102nd General Assembly, convene a
19 workshop during which interested participants may discuss
20 issues and submit comments related to the Program.

21 (2) Establish Program guidelines for implementation of
22 the Program in accordance with the Pay As You Save
23 Essential Elements and Minimum Program Requirements that
24 electric utilities must abide by when implementing the
25 Program. Program guidelines established by the Commission
26 shall include the following elements:

1 (A) The Commission shall establish conditions
2 under which utilities secure capital to fund the
3 energy projects. The Commission may allow utilities to
4 raise capital independently, work with third-party
5 lenders to secure the capital for participants, or a
6 combination thereof. Any process the Commission
7 approves must use a market mechanism to identify the
8 least costly sources of capital funds so as to pass on
9 maximum savings to participants. The State or the
10 Clean Energy Jobs and Justice Fund may also provide
11 capital for the Program.

12 (B) Customer protection guidelines should be
13 designed consistent with Pay As You Save Essential
14 Elements and Minimum Program Requirements.

15 (C) The Commission shall establish conditions by
16 which utilities may connect Program participants to
17 energy project vendors. In setting conditions for
18 connection, the Commission may prioritize vendors that
19 have a history of good relations with the State,
20 including vendors that have hired participants from
21 State-created job training programs.

22 (D) Guarantee that conservative estimates of
23 financial savings will immediately and significantly
24 exceed Program costs for Program participants.

25 (f) Within 120 days after the Commission releases the
26 Program conditions established under this Section, each

1 utility subject to the requirements of this Section shall
2 submit an informational filing to the Commission that
3 describes its plan for implementing the provisions of this
4 Section. If the Commission finds that the submission does not
5 properly comply with the statutory or regulatory requirements
6 of the Program, the Commission may require that the utility
7 make modifications to its filing.

8 (g) An independent process evaluation shall be conducted
9 after one year of the Program's operation. An independent
10 impact evaluation shall be conducted after 3 years of
11 operation, excluding one-time startup costs and results from
12 the first 12 months of the Program. The Commission shall
13 convene an advisory council of stakeholders, including
14 representation of low-income and environmental justice
15 community members to make recommendations in response to the
16 findings of the independent evaluation.

17 (h) The Program shall be designed using the Pay As You Save
18 system guidelines to be cost-effective for customers. Only
19 projects that are deemed to be cost-effective and can be
20 reasonably expected to ensure customer savings are eligible
21 for funding through the Program, unless, as specified in
22 paragraph (1) of subsection (c), customers able to make
23 upfront copayments to installers buy down the cost of projects
24 so it can be deemed cost-effective.

25 (i) Eligible customers must be:

26 (1) property renters with permission of the property

1 owner; or

2 (2) property owners.

3 (j) The calculation of project cost-effectiveness shall be
4 based upon the Pay As You Save system requirements.

5 (1) The calculation of cost-effectiveness must be
6 conducted by an objective process approved by the
7 Commission and based on rates in effect at the time of
8 installation.

9 (2) A project shall be considered cost-effective only
10 if it is estimated to produce significant immediate net
11 savings, not counting copayments voluntarily made by
12 customers. The Commission may establish guidelines by
13 which this required savings is estimated.

14 (k) The Program should be modeled after the Pay As You Save
15 system, by which Program participants finance energy projects
16 using the savings that the energy project creates with a
17 tariffed on-bill program. Eligible projects shall not create
18 personal debt for the customer, result in a lien in the event
19 of nonpayment, or require customers to pay monthly charges for
20 any upgrade that fails and is not repaired within 21 days. The
21 utility may restart charges once the upgrade is repaired and
22 functioning and extend the term of payments to recover its
23 costs for missed payments and deferred cost recovery,
24 providing the upgrade continues to function.

25 (l) Any energy project that is defective or damaged due to
26 no fault of the participant must be either replaced or

1 repaired with parts that meet industry standards at the cost
2 of the utility or vendor, as specified by the Commission, and
3 charges shall be suspended until repairs or replacement is
4 completed. The Commission may establish, increase, or replace
5 the requirements imposed in this subsection. The Commission
6 may determine that this responsibility is best handled by
7 participating project vendors in the form of insurance,
8 contractual guarantees, or other mechanisms, and issue rules
9 detailing this requirement. Customers shall not be charged
10 monthly payments for upgrades that are no longer functioning.

11 (m) In the event of nonpayment, the remaining balance due
12 to pay off the system shall remain with the utility meter at an
13 upgraded location. The Commission shall establish conditions
14 subject to this constraint in the event of nonpayment that are
15 in accordance with the Pay As You Save system.

16 (n) If the demand by utility customers exceeds the Program
17 capital supply in a given year, utilities shall ensure that
18 50% of participants are:

19 (1) customers in neighborhoods where a majority of
20 households make 150% or less of area median income; or

21 (2) residents of environmental justice communities.

22 (o) Utilities shall endeavor to inform customers about the
23 availability of the Program, their potential eligibility for
24 participation in the Program, and whether they are likely to
25 save money on the basis of an estimate conducted using
26 variables consistent with the Program that the utility has at

1 its disposal. The Commission may establish guidelines by which
2 utilities must abide by this directive and alternatives if the
3 Commission deems utilities' efforts as inadequate.

4 (p) Subject to Commission specifications under subsection
5 (c), each utility shall work with certified project vendors
6 selected using a request for proposals process to establish
7 the terms and processes under which a utility can install
8 eligible renewable energy generation and energy storage
9 systems using the capital to fit the Equitable Energy Upgrade
10 model. The certified project vendor shall explain and offer
11 the approved upgrades to customers and shall assist customers
12 in applying for financing through the Program. As part of the
13 process, vendors shall also provide participants with
14 information about any other relevant incentives that may be
15 available.

16 (q) An electric utility shall recover all of the prudently
17 incurred costs of offering a program approved by the
18 Commission under this Section. For investor-owned utilities,
19 shareholder incentives will be proportional to meeting
20 Commission approved thresholds for the number of customers
21 served and the amount of its investments in those locations.

22 (r) The Commission shall adopt all rules necessary for the
23 administration of this Section.

24 (220 ILCS 5/16-127)

25 Sec. 16-127. Environmental disclosure.

1 (a) ~~Every Effective January 1, 2013, every~~ electric
2 utility and alternative retail electric supplier shall provide
3 the following information, to the maximum extent practicable,
4 to its customers on a quarterly basis:

5 (i) the known sources of electricity supplied,
6 broken-out by percentages, of biomass power, coal-fired
7 power, hydro power, natural gas-fired power, nuclear
8 power, oil-fired power, solar power, wind power and other
9 resources, respectively;

10 (ii) a pie chart that graphically depicts the
11 percentages of the sources of the electricity supplied as
12 set forth in subparagraph (i) of this subsection;

13 (iii) a pie chart that graphically depicts the
14 quantity of renewable energy resources procured pursuant
15 to Section 1-75 of the Illinois Power Agency Act as a
16 percentage of electricity supplied to serve eligible
17 retail customers as defined in Section 16-111.5(a) of this
18 Act; and

19 (iv) ~~after May, 31, 2017,~~ a pie chart that graphically
20 depicts the quantity of zero emission credits from zero
21 emission facilities procured under Section 1-75 of the
22 Illinois Power Agency Act as a percentage of the actual
23 load of retail customers within its service area and, for
24 an electric utility serving over 3,000,000 customers, the
25 quantity of carbon mitigation credits from carbon-free
26 energy resources procured under Section 1-75 of the

1 Illinois Power Agency Act, which may be depicted in
2 combination with the zero emission credits procured.

3 (b) In addition, every electric utility and alternative
4 retail electric supplier shall provide, to the maximum extent
5 practicable, to its customers on a quarterly basis, a
6 standardized chart in a format to be determined by the
7 Commission in a rule following notice and hearings which
8 provides the amounts of carbon dioxide, nitrogen oxides and
9 sulfur dioxide emissions and nuclear waste attributable to the
10 known sources of electricity supplied as set forth in
11 subparagraph (i) of subsection (a) of this Section.

12 (c) The electric utilities and alternative retail electric
13 suppliers may provide their customers with such other
14 information as they believe relevant to the information
15 required in subsections (a) and (b) of this Section. All of the
16 information required in subsections (a) and (b) of this
17 Section shall be made available by the electric utilities or
18 alternative retail electric suppliers either in an electronic
19 medium, such as on a website or by electronic mail, or through
20 the U.S. Postal Service.

21 (d) For the purposes of subsection (a) of this Section,
22 "biomass" means dedicated crops grown for energy production
23 and organic wastes.

24 (e) All of the information provided in subsections (a) and
25 (b) of this Section shall be presented to the Commission for
26 inclusion in its World Wide Web Site.

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

2 (220 ILCS 5/16-135 new)

3 Sec. 16-135. Energy Storage Program.

4 (a) The Illinois General Assembly hereby finds and
5 declares that:

6 (1) Energy storage systems provide opportunities to:

7 (A) reduce costs to ratepayers directly or
8 indirectly by avoiding or deferring the need for
9 investment in new generation and for upgrades to
10 systems for the transmission and distribution of
11 electricity;

12 (B) reduce the use of fossil fuels for meeting
13 demand during peak load periods;

14 (C) provide ancillary services such as frequency
15 response, load following, and voltage support;

16 (D) assist electric utilities with integrating
17 sources of renewable energy into the grid for the
18 transmission and distribution of electricity, and with
19 maintaining grid stability;

20 (E) support diversification of energy resources;

21 (F) enhance the resilience and reliability of the
22 electric grid; and

23 (G) reduce greenhouse gas emissions and other air
24 pollutants resulting from power generation, thereby
25 minimizing public health impacts that result from

1 power generation.

2 (2) There are significant barriers to obtaining the
3 benefits of energy storage systems, including inadequate
4 valuation of the services that energy storage can provide
5 to the grid and the public.

6 (3) It is in the public interest to:

7 (A) develop a robust competitive market for
8 existing and new providers of energy storage systems
9 in order to leverage Illinois' position as a leader in
10 advanced energy and to capture the potential for
11 economic development;

12 (B) implement targets and programs to achieve
13 deployment of energy storage systems; and

14 (C) modernize distributed energy resource programs
15 and interconnection standards to lower costs and
16 efficiently deploy energy storage systems in order to
17 increase economic development and job creation within
18 the state's clean energy economy.

19 (b) In this Section:

20 "Energy storage peak standard" means a percentage of
21 annual retail electricity sales during peak hours that an
22 electric utility must derive from electricity discharged from
23 eligible energy storage systems.

24 "Deployment" means the installation of energy storage
25 systems through a variety of mechanisms, including utility
26 procurement, customer installation, or other processes.

1 "Electric utility" has the same meaning as provided in
2 Section 16-102 of this Act.

3 "Energy storage system" means a technology that is capable
4 of absorbing zero-carbon energy, storing it for a period of
5 time, and redelivering that energy after it has been stored in
6 order to provide direct or indirect benefits to the broader
7 electricity system. The term includes, but is not limited to,
8 electrochemical, thermal, and electromechanical technologies.

9 "Nonwires alternatives solicitation" means a utility
10 solicitation for third-party-owned or utility-owned
11 distributed energy resources that uses nontraditional
12 solutions to defer or replace planned investment on the
13 distribution or transmission system.

14 "Total peak demand" means the highest hourly electricity
15 demand for an electric utility in a given year, measured in
16 megawatts, from all of the electric utility's customers of
17 distribution service.

18 (c) The Commission, in consultation with the Illinois
19 Power Agency, shall initiate a proceeding to examine specific
20 programs, mechanisms, and policies that could support the
21 deployment of energy storage systems. The Illinois Commerce
22 Commission shall engage a broad group of Illinois
23 stakeholders, including electric utilities, the energy storage
24 industry, the renewable energy industry, and others to inform
25 the proceeding. The proceeding must, at minimum:

26 (1) develop a framework to identify and measure the

1 potential costs, benefits, that deployment of energy
2 storage could produce, as well as barriers to realizing
3 such benefits, including, but not limited to:

4 (A) avoided cost and deferred investments in
5 generation, transmission, and distribution facilities;

6 (B) reduced ancillary services costs;

7 (C) reduced transmission and distribution
8 congestion;

9 (D) lower peak power costs and reduced capacity
10 costs;

11 (E) reduced costs for emergency power supplies
12 during outages;

13 (F) reduced curtailment of renewable energy
14 generators;

15 (G) reduced greenhouse gas emissions and other
16 criteria air pollutants;

17 (H) increased grid hosting capacity of renewable
18 energy generators that produce energy on an
19 intermittent basis;

20 (I) increased reliability and resilience of the
21 electric grid;

22 (J) reduced line losses;

23 (K) increased resource diversification;

24 (L) increased economic development;

25 (2) analyze and estimate:

26 (A) the impact on the system's ability to

1 integrate renewable resources;

2 (B) the benefits of addition of storage at
3 specific locations, such as at existing peaking units
4 or locations on the grid close to large load centers;

5 (C) the impact on grid reliability and power
6 quality; and

7 (D) the effect on retail electric rates and supply
8 rates over the useful life of a given energy storage
9 system; and

10 (3) Evaluate and identify cost-effective policies and
11 programs to support the deployment of energy storage
12 systems, including, but not limited to:

13 (A) incentive programs;

14 (B) energy storage peak standards;

15 (C) nonwires alternative solicitation;

16 (D) peak demand reduction programs for
17 behind-the-meter storage for all customer classes;

18 (E) value of distributed energy resources
19 programs;

20 (F) tax incentives;

21 (G) time-varying rates;

22 (H) updating of interconnection processes and
23 metering standards; and

24 (I) procurement by the Illinois Power Agency of
25 energy storage resources.

26 (d) The Commission shall, no later than May 31, 2022,

1 submit to the General Assembly and the Governor any
2 recommendations for additional legislative, regulatory, or
3 executive actions based on the findings of the proceeding.

4 (e) At the conclusion of the proceeding required under
5 subsection (c), the Commission shall consider and recommend to
6 the Governor and General Assembly energy storage deployment
7 targets, if any, for each electric utility that serves more
8 than 200,000 customers to be achieved by December 31, 2032,
9 including recommended interim targets.

10 (f) In setting recommendations for energy storage
11 deployment targets, the Commission shall:

12 (1) take into account the costs and benefits of
13 procuring energy storage according to the framework
14 developed in the proceeding under subsection (c);

15 (2) consider establishing specific subcategories of
16 deployment of systems by point of interconnection or
17 application.

18 (220 ILCS 5/17-900 new)

19 Sec. 17-900. Customer self-generation of electricity.

20 (a) The General Assembly finds and declares that municipal
21 systems and electric cooperatives shall continue to be
22 governed by their respective governing bodies, but that such
23 governing bodies should recognize and implement policies to
24 provide the opportunity for their residential and small
25 commercial customers who wish to self-generate electricity and

1 for reasonable credits to customers for excess electricity,
2 balanced against the rights of the other non-self-generating
3 customers. This includes creating consistent, fair policies
4 that are accessible to all customers and transparent, fair
5 processes for raising and addressing any concerns.

6 (b) Customers have the right to install renewable
7 generating facilities to be located on the customer's premises
8 or customer's side of the billing meter and that are intended
9 primarily to offset the customer's own electrical requirements
10 and produce, consume, and store their own renewable energy
11 without discriminatory repercussions from an electric
12 cooperative or municipal system. This includes a customer's
13 rights to:

14 (1) generate, consume, and deliver excess renewable
15 energy to the distribution grid and reduce his or her use
16 of electricity obtained from the grid;

17 (2) use technology to store energy at his or her
18 residence;

19 (3) interconnect his or her electrical system that
20 generates renewable energy, stores energy, or any
21 combination thereof, with the electricity meter on the
22 customer's premises that is provided by an electric
23 cooperative or municipal system:

24 (A) in a timely manner;

25 (B) in accordance with requirements established by
26 the electric cooperative or municipal utility to

1 ensure the safety of utility workers; and

2 (C) after providing written notice to the electric
3 cooperative or municipal utility system providing
4 service in the service territory, installing a
5 nomenclature plate on the electrical meter panel and
6 meeting all applicable State and local safety and
7 electrical code requirements associated with
8 installing a parallel distributed generation system;
9 and

10 (4) receive fair credit for excess energy delivered to
11 the distribution grid.

12 (c) The policies of municipal systems and electric
13 cooperatives regarding self-generation and credits for excess
14 electricity may reasonably differ from those required of other
15 entities by Article XVI of the Public Utilities Act or other
16 Acts. The credits must recognize the value of self-generation
17 to the distribution grid and benefits to other customers.

18 (d) Within 180 days after this amendatory Act of the 102nd
19 General Assembly, each electric cooperative and municipal
20 system shall update its policies for the interconnection and
21 fair crediting of customer self-generation and storage if
22 necessary, to comply with the standards of subsection (b) of
23 this Section. Each electric cooperative and municipal system
24 shall post its updated policies to a public-facing area of its
25 website.

26 (e) An electric cooperative or municipal system customer

1 who produces, consumes, and stores his or her own renewable
2 energy shall not face discriminatory rate design, fees or
3 charges, treatment, or excessive compliance requirements that
4 would unreasonably affect that customer's right to
5 self-generate electricity as provided for in this Section.

6 (f) An electric cooperative or municipal utility system
7 customer shall have a right to appeal any decision related to
8 self-generation and storage that violates these rights to
9 self-generation and non-discrimination pursuant to the
10 provisions of this Section through a complaint under the
11 Administrative Review Law or similar legal process.

12 Section 90-55. The Environmental Protection Act is amended
13 by adding Sections 3.131 and 9.18 and by changing Sections
14 9.15 and 22.59 as follows:

15 (415 ILCS 5/3.131 new)

16 Sec. 3.131. Clean energy. "Clean energy" means energy
17 generation that is substantially free (90% or greater) of
18 carbon dioxide emissions.

19 (415 ILCS 5/9.15)

20 Sec. 9.15. Greenhouse gases.

21 (a) An air pollution construction permit shall not be
22 required due to emissions of greenhouse gases if the
23 equipment, site, or source is not subject to regulation, as

1 defined by 40 CFR 52.21, as now or hereafter amended, for
2 greenhouse gases or is otherwise not addressed in this Section
3 or by the Board in regulations for greenhouse gases. These
4 exemptions do. ~~This exemption does~~ not relieve an owner or
5 operator from the obligation to comply with other applicable
6 rules or regulations.

7 (b) An air pollution operating permit shall not be
8 required due to emissions of greenhouse gases if the
9 equipment, site, or source is not subject to regulation, as
10 defined by Section 39.5 of this Act, for greenhouse gases or is
11 otherwise not addressed in this Section or by the Board in
12 regulations for greenhouse gases. These exemptions do. ~~This~~
13 ~~exemption does~~ not relieve an owner or operator from the
14 obligation to comply with other applicable rules or
15 regulations.

16 (c) (Blank). ~~Notwithstanding any provision to the contrary~~
17 ~~in this Section, an air pollution construction or operating~~
18 ~~permit shall not be required due to emissions of greenhouse~~
19 ~~gases if any of the following events occur:~~

20 ~~(1) enactment of federal legislation depriving the~~
21 ~~Administrator of the USEPA of authority to regulate~~
22 ~~greenhouse gases under the Clean Air Act;~~

23 ~~(2) the issuance of any opinion, ruling, judgment,~~
24 ~~order, or decree by a federal court depriving the~~
25 ~~Administrator of the USEPA of authority to regulate~~
26 ~~greenhouse gases under the Clean Air Act; or~~

1 ~~(3) action by the President of the United States or~~
2 ~~the President's authorized agent, including the~~
3 ~~Administrator of the USEPA, to repeal or withdraw the~~
4 ~~Greenhouse Gas Tailoring Rule (75 Fed. Reg. 31514, June 3,~~
5 ~~2010).~~

6 ~~This subsection (c) does not relieve an owner or operator~~
7 ~~from the obligation to comply with applicable rules or~~
8 ~~regulations other than those relating to greenhouse gases.~~

9 ~~(d) (Blank). If any event listed in subsection (c) of this~~
10 ~~Section occurs, permits issued after such event shall not~~
11 ~~impose permit terms or conditions addressing greenhouse gases~~
12 ~~during the effectiveness of any event listed in subsection~~
13 ~~(c).~~

14 ~~(e) (Blank). If an event listed in subsection (c) of this~~
15 ~~Section occurs, any owner or operator with a permit that~~
16 ~~includes terms or conditions addressing greenhouse gases may~~
17 ~~elect to submit an application to the Agency to address a~~
18 ~~revision or repeal of such terms or conditions. The Agency~~
19 ~~shall expeditiously process such permit application in~~
20 ~~accordance with applicable laws and regulations.~~

21 ~~(f) As used in this Section:~~

22 ~~"Carbon dioxide emission" means the plant annual CO₂ total~~
23 ~~output emission as measured by the United States Environmental~~
24 ~~Protection Agency in its Emissions & Generation Resource~~
25 ~~Integrated Database (eGrid), or its successor.~~

26 ~~"Carbon dioxide equivalent emissions" or "CO₂e" means the~~

1 sum total of the mass amount of emissions in tons per year,
2 calculated by multiplying the mass amount of each of the 6
3 greenhouse gases specified in Section 3.207, in tons per year,
4 by its associated global warming potential as set forth in 40
5 CFR 98, subpart A, table A-1 or its successor, and then adding
6 them all together.

7 "Cogeneration" or "combined heat and power" refers to any
8 system that, either simultaneously or sequentially, produces
9 electricity and useful thermal energy from a single fuel
10 source.

11 "Copollutants" refers to the 6 criteria pollutants that
12 have been identified by the United States Environmental
13 Protection Agency pursuant to the Clean Air Act.

14 "Electric generating unit" or "EGU" means a fossil
15 fuel-fired stationary boiler, combustion turbine, or combined
16 cycle system that serves a generator that has a nameplate
17 capacity greater than 25 MWe and produces electricity for
18 sale.

19 "Environmental justice community" means the definition of
20 that term based on existing methodologies and findings, used
21 and as may be updated by the Illinois Power Agency and its
22 program administrator in the Illinois Solar for All Program.

23 "Equity investment eligible community" or "eligible
24 community" means the geographic areas throughout Illinois that
25 would most benefit from equitable investments by the State
26 designed to combat discrimination and foster sustainable

1 economic growth. Specifically, eligible community means the
2 following areas:

3 (1) areas where residents have been historically
4 excluded from economic opportunities, including
5 opportunities in the energy sector, as defined as R3 areas
6 pursuant to Section 10-40 of the Cannabis Regulation and
7 Tax Act; and

8 (2) areas where residents have been historically
9 subject to disproportionate burdens of pollution,
10 including pollution from the energy sector, as established
11 by environmental justice communities as defined by the
12 Illinois Power Agency pursuant to the Illinois Power
13 Agency Act, excluding any racial or ethnic indicators.

14 "Equity investment eligible person" or "eligible person"
15 means the persons who would most benefit from equitable
16 investments by the State designed to combat discrimination and
17 foster sustainable economic growth. Specifically, eligible
18 person means the following people:

19 (1) persons whose primary residence is in an equity
20 investment eligible community;

21 (2) persons whose primary residence is in a
22 municipality, or a county with a population under 100,000,
23 where the closure of an electric generating unit or mine
24 has been publicly announced or the electric generating
25 unit or mine is in the process of closing or closed within
26 the last 5 years;

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

3 (4) persons who were formerly incarcerated.

4 "Existing emissions" means:

5 (1) for CO₂e, the total average tons-per-year of CO₂e
6 emitted by the EGU or large GHG-emitting unit either in
7 the years 2018 through 2020 or, if the unit was not yet in
8 operation by January 1, 2018, in the first 3 full years of
9 that unit's operation; and

10 (2) for any copollutant, the total average
11 tons-per-year of that copollutant emitted by the EGU or
12 large GHG-emitting unit either in the years 2018 through
13 2020 or, if the unit was not yet in operation by January 1,
14 2018, in the first 3 full years of that unit's operation.

15 "Green hydrogen" means a power plant technology in which
16 an EGU creates electric power exclusively from electrolytic
17 hydrogen, in a manner that produces zero carbon and
18 copollutant emissions, using hydrogen fuel that is
19 electrolyzed using a 100% renewable zero carbon emission
20 energy source.

21 "Large greenhouse gas-emitting unit" or "large
22 GHG-emitting unit" means a unit that is an electric generating
23 unit or other fossil fuel-fired unit that itself has a
24 nameplate capacity or serves a generator that has a nameplate
25 capacity greater than 25 MWe and that produces electricity,
26 including, but not limited to, coal-fired, coal-derived,

1 oil-fired, natural gas-fired, and cogeneration units.

2 "NO_x emission rate" means the plant annual NO_x total output
3 emission rate as measured by the United States Environmental
4 Protection Agency in its Emissions & Generation Resource
5 Integrated Database (eGrid), or its successor, in the most
6 recent year for which data is available.

7 "Public greenhouse gas-emitting units" or "public
8 GHG-emitting unit" means large greenhouse gas-emitting units,
9 including EGUs, that are wholly owned, directly or indirectly,
10 by one or more municipalities, municipal corporations, joint
11 municipal electric power agencies, electric cooperatives, or
12 other governmental or nonprofit entities, whether organized
13 and created under the laws of Illinois or another state.

14 "SO₂ emission rate" means the "plant annual SO₂ total
15 output emission rate" as measured by the United States
16 Environmental Protection Agency in its Emissions & Generation
17 Resource Integrated Database (eGrid), or its successor, in the
18 most recent year for which data is available.

19 (g) All EGUs and large greenhouse gas-emitting units that
20 use coal or oil as a fuel and are not public GHG-emitting units
21 shall permanently reduce all CO₂e and copollutant emissions to
22 zero no later than January 1, 2030.

23 (h) All EGUs and large greenhouse gas-emitting units that
24 use coal as a fuel and are public GHG-emitting units shall
25 permanently reduce CO₂e emissions to zero no later than
26 December 31, 2045. Any source with such units must also reduce

1 their CO₂e emissions by 45% from existing emissions by no later
2 than January 1, 2035.

3 (i) All EGUs and large greenhouse gas-emitting units that
4 use gas as a fuel and are not public GHG-emitting units shall
5 permanently reduce all CO₂e and copollutant emissions to zero,
6 including through unit retirement or the use of 100% green
7 hydrogen or other similar technology that is commercially
8 proven to achieve zero carbon emissions, according to the
9 following:

10 (1) No later than January 1, 2030: all EGUs and large
11 greenhouse gas-emitting units that have a NO_x emissions
12 rate of greater than 0.12 lbs/MWh or a SO₂ emission rate of
13 greater than 0.006 lb/MWh, and are located in or within 3
14 miles of an environmental justice community designated as
15 of January 1, 2021 or an equity investment eligible
16 community.

17 (2) No later than January 1, 2040: all EGUs and large
18 greenhouse gas-emitting units that have a NO_x emission
19 rate of greater than 0.12 lbs/MWh or a SO₂ emission rate
20 greater than 0.006 lb/MWh, and are not located in or
21 within 3 miles of an environmental justice community
22 designated as of January 1, 2021 or an equity investment
23 eligible community. After January 1, 2035, each such EGU
24 and large greenhouse gas-emitting unit shall reduce its
25 CO₂e emissions by at least 50% from its existing emissions
26 for CO₂e, and shall be limited in operation to, on average,

1 6 hours or less per day, measured over a calendar year, and
2 shall not run for more than 24 consecutive hours except in
3 emergency conditions, as designated by a Regional
4 Transmission Organization or Independent System Operator.

5 (3) No later than January 1, 2035: all EGUs and large
6 greenhouse gas-emitting units that began operation prior
7 to the effective date of this amendatory Act of the 102nd
8 General Assembly and have a NO_x emission rate of less than
9 or equal to 0.12 lb/MWh and a SO₂ emission rate less than
10 or equal to 0.006 lb/MWh, and are located in or within 3
11 miles of an environmental justice community designated as
12 of January 1, 2021 or an equity investment eligible
13 community. Each such EGU and large greenhouse gas-emitting
14 unit shall reduce its CO₂e emissions by at least 50% from
15 its existing emissions for CO₂e no later than January 1,
16 2030.

17 (4) No later than January 1, 2040: All remaining EGUs
18 and large greenhouse gas-emitting units that have a heat
19 rate greater than or equal to 7000 BTU/kWh. Each such EGU
20 and Large greenhouse gas-emitting unit shall reduce its
21 CO₂e emissions by at least 50% from its existing emissions
22 for CO₂e no later than January 1, 2035.

23 (5) No later than January 1, 2045: all remaining EGUs
24 and large greenhouse gas-emitting units.

25 (j) All EGUs and large greenhouse gas-emitting units that
26 use gas as a fuel and are public GHG-emitting units shall

1 permanently reduce all CO₂e and copollutant emissions to zero,
2 including through unit retirement or the use of 100% green
3 hydrogen or other similar technology that is commercially
4 proven to achieve zero carbon emissions by January 1, 2045.

5 (k) All EGUs and large greenhouse gas-emitting units that
6 utilize combined heat and power or cogeneration technology
7 shall permanently reduce all CO₂e and copollutant emissions to
8 zero, including through unit retirement or the use of 100%
9 green hydrogen or other similar technology that is
10 commercially proven to achieve zero carbon emissions by
11 January 1, 2045.

12 (k-5) No EGU or large greenhouse gas-emitting unit that
13 uses gas as a fuel and is not a public GHG-emitting unit may
14 emit, in any 12-month period, CO₂e or copollutants in excess of
15 that unit's existing emissions for those pollutants.

16 (l) Notwithstanding subsections (g) through (k-5), large
17 GHG-emitting units including EGUs may temporarily continue
18 emitting greenhouse gases after any applicable deadline
19 specified in any of subsections (g) through (k-5) if it has
20 been determined, as described in paragraphs (1) and (2) of
21 this subsection, that ongoing operation of the EGU is
22 necessary to maintain power grid supply and reliability or
23 ongoing operation of large GHG-emitting unit that is not an
24 EGU is necessary to serve as an emergency backup to
25 operations. Up to and including the occurrence of an emission
26 reduction deadline under subsection (i), all EGUs and large

1 GHG-emitting units must comply with the following terms:

2 (1) if an EGU or large GHG-emitting unit that is a
3 participant in a regional transmission organization
4 intends to retire, it must submit documentation to the
5 appropriate regional transmission organization by the
6 appropriate deadline that meets all applicable regulatory
7 requirements necessary to obtain approval to permanently
8 cease operating the large GHG-emitting unit;

9 (2) if any EGU or large GHG-emitting unit that is a
10 participant in a regional transmission organization
11 receives notice that the regional transmission
12 organization has determined that continued operation of
13 the unit is required, the unit may continue operating
14 until the issue identified by the regional transmission
15 organization is resolved. The owner or operator of the
16 unit must cooperate with the regional transmission
17 organization in resolving the issue and must reduce its
18 emissions to zero, consistent with the requirements under
19 subsection (g), (h), (i), (j), (k), or (k-5), as
20 applicable, as soon as practicable when the issue
21 identified by the regional transmission organization is
22 resolved; and

23 (3) any large GHG-emitting unit that is not a
24 participant in a regional transmission organization shall
25 be allowed to continue emitting greenhouse gases after the
26 zero-emission date specified in subsection (g), (h), (i),

1 (j), (k), or (k-5), as applicable, in the capacity of an
2 emergency backup unit if approved by the Illinois Commerce
3 Commission.

4 (m) No variance, adjusted standard, or other regulatory
5 relief otherwise available in this Act may be granted to the
6 emissions reduction and elimination obligations in this
7 Section.

8 (n) By June 30 of each year, beginning in 2025, the Agency
9 shall prepare and publish on its website a report setting
10 forth the actual greenhouse gas emissions from individual
11 units and the aggregate statewide emissions from all units for
12 the prior year.

13 (o) Every 5 years beginning in 2025, the Environmental
14 Protection Agency, Illinois Power Agency, and Illinois
15 Commerce Commission shall jointly prepare, and release
16 publicly, a report to the General Assembly that examines the
17 State's current progress toward its renewable energy resource
18 development goals, the status of CO₂e and copollutant
19 emissions reductions, the current status and progress toward
20 developing and implementing green hydrogen technologies, the
21 current and projected status of electric resource adequacy and
22 reliability throughout the State for the period beginning 5
23 years ahead, and proposed solutions for any findings. The
24 Environmental Protection Agency, Illinois Power Agency, and
25 Illinois Commerce Commission shall consult PJM
26 Interconnection, LLC and Midcontinent Independent System

1 Operator, Inc., or their respective successor organizations
2 regarding forecasted resource adequacy and reliability needs,
3 anticipated new generation interconnection, new transmission
4 development or upgrades, and any announced large GHG-emitting
5 unit closure dates and include this information in the report.
6 The report shall be released publicly by no later than
7 December 15 of the year it is prepared. If the Environmental
8 Protection Agency, Illinois Power Agency, and Illinois
9 Commerce Commission jointly conclude in the report that the
10 data from the regional grid operators, the pace of renewable
11 energy development, the pace of development of energy storage
12 and demand response utilization, transmission capacity, and
13 the CO₂e and copollutant emissions reductions required by
14 subsection (i) or (k-5) reasonably demonstrate that a resource
15 adequacy shortfall will occur, including whether there will be
16 sufficient in-state capacity to meet the zonal requirements of
17 MISO Zone 4 or the PJM ComEd Zone, per the requirements of the
18 regional transmission organizations, or that the regional
19 transmission operators determine that a reliability violation
20 will occur during the time frame the study is evaluating, then
21 the Illinois Power Agency, in conjunction with the
22 Environmental Protection Agency shall develop a plan to reduce
23 or delay CO₂e and copollutant emissions reductions
24 requirements only to the extent and for the duration necessary
25 to meet the resource adequacy and reliability needs of the
26 State, including allowing any plants whose emission reduction

1 deadline has been identified in the plan as creating a
2 reliability concern to continue operating, including operating
3 with reduced emissions or as emergency backup where
4 appropriate. The plan shall also consider the use of renewable
5 energy, energy storage, demand response, transmission
6 development, or other strategies to resolve the identified
7 resource adequacy shortfall or reliability violation.

8 (1) In developing the plan, the Environmental
9 Protection Agency and the Illinois Power Agency shall hold
10 at least one workshop open to, and accessible at a time and
11 place convenient to, the public and shall consider any
12 comments made by stakeholders or the public. Upon
13 development of the plan, copies of the plan shall be
14 posted and made publicly available on the Environmental
15 Protection Agency's, the Illinois Power Agency's, and the
16 Illinois Commerce Commission's websites. All interested
17 parties shall have 60 days following the date of posting
18 to provide comment to the Environmental Protection Agency
19 and the Illinois Power Agency on the plan. All comments
20 submitted to the Environmental Protection Agency and the
21 Illinois Power Agency shall be encouraged to be specific,
22 supported by data or other detailed analyses, and, if
23 objecting to all or a portion of the plan, accompanied by
24 specific alternative wording or proposals. All comments
25 shall be posted on the Environmental Protection Agency's,
26 the Illinois Power Agency's, and the Illinois Commerce

1 Commission's websites. Within 30 days following the end of
2 the 60-day review period, the Environmental Protection
3 Agency and the Illinois Power Agency shall revise the plan
4 as necessary based on the comments received and file its
5 revised plan with the Illinois Commerce Commission for
6 approval.

7 (2) Within 60 days after the filing of the revised
8 plan at the Illinois Commerce Commission, any person
9 objecting to the plan shall file an objection with the
10 Illinois Commerce Commission. Within 30 days after the
11 expiration of the comment period, the Illinois Commerce
12 Commission shall determine whether an evidentiary hearing
13 is necessary. The Illinois Commerce Commission shall also
14 host 3 public hearings within 90 days after the plan is
15 filed. Following the evidentiary and public hearings, the
16 Illinois Commerce Commission shall enter its order
17 approving or approving with modifications the reliability
18 mitigation plan within 180 days.

19 (3) The Illinois Commerce Commission shall only
20 approve the plan if the Illinois Commerce Commission
21 determines that it will resolve the resource adequacy or
22 reliability deficiency identified in the reliability
23 mitigation plan at the least amount of CO₂e and copollutant
24 emissions, taking into consideration the emissions impacts
25 on environmental justice communities, and that it will
26 ensure adequate, reliable, affordable, efficient, and

1 environmentally sustainable electric service at the lowest
2 total cost over time, taking into account the impact of
3 increases in emissions.

4 (4) If the resource adequacy or reliability deficiency
5 identified in the reliability mitigation plan is resolved
6 or reduced, the Environmental Protection Agency and the
7 Illinois Power Agency may file an amended plan adjusting
8 the reduction or delay in CO₂e and copollutant emission
9 reduction requirements identified in the plan.

10 (Source: P.A. 97-95, eff. 7-12-11.)

11 (415 ILCS 5/9.18 new)

12 Sec. 9.18. Commission on market-based carbon pricing
13 solutions.

14 (a) In the United States, state-based market policies to
15 reduce greenhouse gases have been in operation since 2009.
16 More than a quarter of the US population lives in a state with
17 carbon pricing and these states represent one-third of the
18 United States' gross domestic product. Market-based policies
19 have proved effective at reducing emissions in states across
20 the United States, and around the world. Additionally,
21 well-designed carbon pricing incentivizes energy efficiency
22 and drives investments in low-carbon solutions and
23 technologies, such as renewables, hydrogen, biofuels, and
24 carbon capture, use, and storage. Illinois must assess
25 available suites of programs and policies to support a rapid,

1 economy-wide decarbonization and spur the development of a
2 clean energy economy in the State, while maintaining Illinois'
3 competitive advantage.

4 (b) The Governor is hereby authorized to create a carbon
5 pricing commission to study the short-term and long-term
6 impacts of joining, implementing, or designing a sector-based,
7 statewide, or regional carbon pricing program. The commission
8 shall analyze and compare the relative cost of, and greenhouse
9 gas reductions from, various carbon pricing programs available
10 to Illinois and the Midwest, including, but not limited to:
11 the Regional Greenhouse Gas Initiative (RGGI), the
12 Transportation and Climate Initiative (TCI), California's
13 cap-and-trade program, California's low carbon fuel standard,
14 Washington State's cap-and-invest program, the Oregon Clean
15 Fuels Program, and other relevant market-based programs. At
16 the conclusion of the study, no later than December 31, 2022,
17 the commission shall issue a public report containing its
18 findings.

19 (c) This Section is repealed on January 1, 2024.

20 (415 ILCS 5/22.59)

21 Sec. 22.59. CCR surface impoundments.

22 (a) The General Assembly finds that:

23 (1) the State of Illinois has a long-standing policy
24 to restore, protect, and enhance the environment,
25 including the purity of the air, land, and waters,

1 including groundwaters, of this State;

2 (2) a clean environment is essential to the growth and
3 well-being of this State;

4 (3) CCR generated by the electric generating industry
5 has caused groundwater contamination and other forms of
6 pollution at active and inactive plants throughout this
7 State;

8 (4) environmental laws should be supplemented to
9 ensure consistent, responsible regulation of all existing
10 CCR surface impoundments; and

11 (5) meaningful participation of State residents,
12 especially vulnerable populations who may be affected by
13 regulatory actions, is critical to ensure that
14 environmental justice considerations are incorporated in
15 the development of, decision-making related to, and
16 implementation of environmental laws and rulemaking that
17 protects and improves the well-being of communities in
18 this State that bear disproportionate burdens imposed by
19 environmental pollution.

20 Therefore, the purpose of this Section is to promote a
21 healthful environment, including clean water, air, and land,
22 meaningful public involvement, and the responsible disposal
23 and storage of coal combustion residuals, so as to protect
24 public health and to prevent pollution of the environment of
25 this State.

26 The provisions of this Section shall be liberally

1 construed to carry out the purposes of this Section.

2 (b) No person shall:

3 (1) cause or allow the discharge of any contaminants
4 from a CCR surface impoundment into the environment so as
5 to cause, directly or indirectly, a violation of this
6 Section or any regulations or standards adopted by the
7 Board under this Section, either alone or in combination
8 with contaminants from other sources;

9 (2) construct, install, modify, operate, or close any
10 CCR surface impoundment without a permit granted by the
11 Agency, or so as to violate any conditions imposed by such
12 permit, any provision of this Section or any regulations
13 or standards adopted by the Board under this Section; or

14 (3) cause or allow, directly or indirectly, the
15 discharge, deposit, injection, dumping, spilling, leaking,
16 or placing of any CCR upon the land in a place and manner
17 so as to cause or tend to cause a violation this Section or
18 any regulations or standards adopted by the Board under
19 this Section.

20 (c) For purposes of this Section, a permit issued by the
21 Administrator of the United States Environmental Protection
22 Agency under Section 4005 of the federal Resource Conservation
23 and Recovery Act, shall be deemed to be a permit under this
24 Section and subsection (y) of Section 39.

25 (d) Before commencing closure of a CCR surface
26 impoundment, in accordance with Board rules, the owner of a

1 CCR surface impoundment must submit to the Agency for approval
2 a closure alternatives analysis that analyzes all closure
3 methods being considered and that otherwise satisfies all
4 closure requirements adopted by the Board under this Act.
5 Complete removal of CCR, as specified by the Board's rules,
6 from the CCR surface impoundment must be considered and
7 analyzed. Section 3.405 does not apply to the Board's rules
8 specifying complete removal of CCR. The selected closure
9 method must ensure compliance with regulations adopted by the
10 Board pursuant to this Section.

11 (e) Owners or operators of CCR surface impoundments who
12 have submitted a closure plan to the Agency before May 1, 2019,
13 and who have completed closure prior to 24 months after July
14 30, 2019 (the effective date of Public Act 101-171) ~~this~~
15 ~~amendatory Act of the 101st General Assembly~~ shall not be
16 required to obtain a construction permit for the surface
17 impoundment closure under this Section.

18 (f) Except for the State, its agencies and institutions, a
19 unit of local government, or not-for-profit electric
20 cooperative as defined in Section 3.4 of the Electric Supplier
21 Act, any person who owns or operates a CCR surface impoundment
22 in this State shall post with the Agency a performance bond or
23 other security for the purpose of: (i) ensuring closure of the
24 CCR surface impoundment and post-closure care in accordance
25 with this Act and its rules; and (ii) insuring remediation of
26 releases from the CCR surface impoundment. The only acceptable

1 forms of financial assurance are: a trust fund, a surety bond
2 guaranteeing payment, a surety bond guaranteeing performance,
3 or an irrevocable letter of credit.

4 (1) The cost estimate for the post-closure care of a
5 CCR surface impoundment shall be calculated using a
6 30-year post-closure care period or such longer period as
7 may be approved by the Agency under Board or federal
8 rules.

9 (2) The Agency is authorized to enter into such
10 contracts and agreements as it may deem necessary to carry
11 out the purposes of this Section. Neither the State, nor
12 the Director, nor any State employee shall be liable for
13 any damages or injuries arising out of or resulting from
14 any action taken under this Section.

15 (3) The Agency shall have the authority to approve or
16 disapprove any performance bond or other security posted
17 under this subsection. Any person whose performance bond
18 or other security is disapproved by the Agency may contest
19 the disapproval as a permit denial appeal pursuant to
20 Section 40.

21 (g) The Board shall adopt rules establishing construction
22 permit requirements, operating permit requirements, design
23 standards, reporting, financial assurance, and closure and
24 post-closure care requirements for CCR surface impoundments.
25 Not later than 8 months after July 30, 2019 (the effective date
26 of Public Act 101-171) ~~this amendatory Act of the 101st~~

1 ~~General Assembly~~ the Agency shall propose, and not later than
2 one year after receipt of the Agency's proposal the Board
3 shall adopt, rules under this Section. The Board shall not be
4 deemed in noncompliance with the rulemaking deadline due to
5 delays in adopting rules as a result of the Joint Commission on
6 Administrative Rules oversight process. The rules must, at a
7 minimum:

8 (1) be at least as protective and comprehensive as the
9 federal regulations or amendments thereto promulgated by
10 the Administrator of the United States Environmental
11 Protection Agency in Subpart D of 40 CFR 257 governing CCR
12 surface impoundments;

13 (2) specify the minimum contents of CCR surface
14 impoundment construction and operating permit
15 applications, including the closure alternatives analysis
16 required under subsection (d);

17 (3) specify which types of permits include
18 requirements for closure, post-closure, remediation and
19 all other requirements applicable to CCR surface
20 impoundments;

21 (4) specify when permit applications for existing CCR
22 surface impoundments must be submitted, taking into
23 consideration whether the CCR surface impoundment must
24 close under the RCRA;

25 (5) specify standards for review and approval by the
26 Agency of CCR surface impoundment permit applications;

1 (6) specify meaningful public participation procedures
2 for the issuance of CCR surface impoundment construction
3 and operating permits, including, but not limited to,
4 public notice of the submission of permit applications, an
5 opportunity for the submission of public comments, an
6 opportunity for a public hearing prior to permit issuance,
7 and a summary and response of the comments prepared by the
8 Agency;

9 (7) prescribe the type and amount of the performance
10 bonds or other securities required under subsection (f),
11 and the conditions under which the State is entitled to
12 collect moneys from such performance bonds or other
13 securities;

14 (8) specify a procedure to identify areas of
15 environmental justice concern in relation to CCR surface
16 impoundments;

17 (9) specify a method to prioritize CCR surface
18 impoundments required to close under RCRA if not otherwise
19 specified by the United States Environmental Protection
20 Agency, so that the CCR surface impoundments with the
21 highest risk to public health and the environment, and
22 areas of environmental justice concern are given first
23 priority;

24 (10) define when complete removal of CCR is achieved
25 and specify the standards for responsible removal of CCR
26 from CCR surface impoundments, including, but not limited

1 to, dust controls and the protection of adjacent surface
2 water and groundwater; and

3 (11) describe the process and standards for
4 identifying a specific alternative source of groundwater
5 pollution when the owner or operator of the CCR surface
6 impoundment believes that groundwater contamination on the
7 site is not from the CCR surface impoundment.

8 (h) Any owner of a CCR surface impoundment that generates
9 CCR and sells or otherwise provides coal combustion byproducts
10 pursuant to Section 3.135 shall, every 12 months, post on its
11 publicly available website a report specifying the volume or
12 weight of CCR, in cubic yards or tons, that it sold or provided
13 during the past 12 months.

14 (i) The owner of a CCR surface impoundment shall post all
15 closure plans, permit applications, and supporting
16 documentation, as well as any Agency approval of the plans or
17 applications on its publicly available website.

18 (j) The owner or operator of a CCR surface impoundment
19 shall pay the following fees:

20 (1) An initial fee to the Agency within 6 months after
21 July 30, 2019 (the effective date of Public Act 101-171)
22 ~~this amendatory Act of the 101st General Assembly~~ of:

23 \$50,000 for each closed CCR surface impoundment;

24 and

25 \$75,000 for each CCR surface impoundment that have
26 not completed closure.

1 (2) Annual fees to the Agency, beginning on July 1,
2 2020, of:

3 \$25,000 for each CCR surface impoundment that has
4 not completed closure; and

5 \$15,000 for each CCR surface impoundment that has
6 completed closure, but has not completed post-closure
7 care.

8 (k) All fees collected by the Agency under subsection (j)
9 shall be deposited into the Environmental Protection Permit
10 and Inspection Fund.

11 (l) The Coal Combustion Residual Surface Impoundment
12 Financial Assurance Fund is created as a special fund in the
13 State treasury. Any moneys forfeited to the State of Illinois
14 from any performance bond or other security required under
15 this Section shall be placed in the Coal Combustion Residual
16 Surface Impoundment Financial Assurance Fund and shall, upon
17 approval by the Governor and the Director, be used by the
18 Agency for the purposes for which such performance bond or
19 other security was issued. The Coal Combustion Residual
20 Surface Impoundment Financial Assurance Fund is not subject to
21 the provisions of subsection (c) of Section 5 of the State
22 Finance Act.

23 (m) The provisions of this Section shall apply, without
24 limitation, to all existing CCR surface impoundments and any
25 CCR surface impoundments constructed after July 30, 2019 (the
26 effective date of Public Act 101-171) ~~this amendatory Act of~~

1 ~~the 101st General Assembly~~, except to the extent prohibited by
2 the Illinois or United States Constitutions.

3 (Source: P.A. 101-171, eff. 7-30-19; revised 10-22-19.)

4 Section 90-56. The Alternate Fuels Act is amended by
5 changing Sections 1, 5, 10, 15, 35, 40, and 45 and by adding
6 Section 27 as follows:

7 (415 ILCS 120/1)

8 Sec. 1. Short title. This Act may be cited as the Electric
9 Vehicle Rebate ~~Alternate Fuels~~ Act.

10 (Source: P.A. 89-410.)

11 (415 ILCS 120/5)

12 Sec. 5. Purpose. The General Assembly declares that it is
13 the public policy of the State to promote and encourage the use
14 of electric ~~alternate fuel in~~ vehicles as a means to improve
15 air quality and reduce the risks from global warming in the
16 State and to meet the requirements of the federal Clean Air Act
17 ~~Amendments of 1990 and the federal Energy Policy Act of 1992.~~
18 The General Assembly further declares that the State can play
19 a leadership role in increasing usage ~~the development~~ of
20 vehicles powered by electricity ~~alternate fuels, as well as in~~
21 ~~the establishment of the necessary infrastructure to support~~
22 ~~this emerging technology.~~

23 (Source: P.A. 89-410.)

1 (415 ILCS 120/10)

2 Sec. 10. Definitions. As used in this Act:

3 "Agency" means the Environmental Protection Agency.

4 ~~"Alternate fuel" means liquid petroleum gas, natural gas,~~
5 ~~E85 blend fuel, fuel composed of a minimum 80% ethanol, 80%~~
6 ~~bio based methanol, fuels that are at least 80% derived from~~
7 ~~biomass, hydrogen fuel, or electricity, excluding on board~~
8 ~~electric generation.~~

9 ~~"Alternate fuel vehicle" means any vehicle that is~~
10 ~~operated in Illinois and is capable of using an alternate~~
11 ~~fuel.~~

12 ~~"Biodiesel fuel" means a renewable fuel conforming to the~~
13 ~~industry standard ASTM D6751 and registered with the U.S.~~
14 ~~Environmental Protection Agency.~~

15 ~~"Car sharing organization" means an organization whose~~
16 ~~primary business is a membership based service that allows~~
17 ~~members to drive cars by the hour in order to extend the public~~
18 ~~transit system, reduce personal car ownership, save consumers~~
19 ~~money, increase the use of alternative transportation, and~~
20 ~~improve environmental sustainability.~~

21 ~~"Conventional", when used to modify the word "vehicle",~~
22 ~~"engine", or "fuel", means gasoline or diesel or any~~
23 ~~reformulations of those fuels.~~

24 "Covered Area" means the counties of Cook, DuPage, Kane,
25 Lake, McHenry, and Will, the townships of Aux Sable and Goose

1 Lake in Grundy County, and the township of Oswego in Kendall
2 County and those portions of Grundy County and Kendall County
3 that are included in the following ZIP code areas, as
4 designated by the U.S. Postal Service on the effective date of
5 this amendatory Act of 1998: 60416, 60444, 60447, 60450,
6 60481, 60538, and 60543.

7 ~~"Director" means the Director of the Environmental~~
8 ~~Protection Agency.~~

9 ~~"Domestic renewable fuel" means a fuel, produced in the~~
10 ~~United States, composed of a minimum 80% ethanol, 80%~~
11 ~~bio-based methanol, or 20% biodiesel fuel.~~

12 ~~"E85 blend fuel" means fuel that contains 85% ethanol and~~
13 ~~15% gasoline.~~

14 "Electric vehicle" means a vehicle that is exclusively
15 powered by and refueled by electricity, must be plugged in to
16 charge, and is licensed to drive on public roadways. "Electric
17 Vehicle" does not include electric motorcycles, or hybrid
18 electric vehicles and extended-range electric vehicles that
19 are also equipped with conventional fueled propulsion or
20 auxiliary engines.

21 "Environmental justice community" has the same meaning,
22 based on existing methodologies and findings, used and as may
23 be updated by the Illinois Power Agency and its Program
24 Administrator of the Illinois Solar for All Program.

25 "Low income" means persons and families whose income does
26 not exceed 80% of the State median income for the current State

1 fiscal year, as established by the United States Department of
2 Health and Human Services. licensed to drive on public
3 roadways, is predominantly powered by, and primarily refueled
4 with, electricity, and does not have restrictions confining it
5 to operate on only certain types of streets or roads.

6 ~~"GVWR" means Gross Vehicle Weight Rating.~~

7 ~~"Location" means (i) a parcel of real property or (ii)~~
8 ~~multiple, contiguous parcels of real property that are~~
9 ~~separated by private roadways, public roadways, or private or~~
10 ~~public rights of way and are owned, operated, leased, or under~~
11 ~~common control of one party.~~

12 ~~"Original equipment manufacturer" or "OEM" means a~~
13 ~~manufacturer of alternate fuel vehicles or a manufacturer or~~
14 ~~remanufacturer of alternate fuel engines used in vehicles~~
15 ~~greater than 8500 pounds GVWR.~~

16 ~~"Rental vehicle" means any motor vehicle that is owned or~~
17 ~~controlled primarily for the purpose of short term leasing or~~
18 ~~rental pursuant to a contract.~~

19 (Source: P.A. 97-90, eff. 7-11-11.)

20 (415 ILCS 120/15)

21 Sec. 15. Rulemaking. The Agency shall promulgate rules as
22 necessary and dedicate sufficient resources to implement ~~the~~
23 ~~purposes of~~ Section 27 ~~30~~ of this Act. Such rules shall be
24 consistent with applicable ~~the~~ provisions of the Clean Air Act
25 ~~Amendments of 1990~~ and any regulations promulgated pursuant

1 thereto. The Secretary of State may promulgate rules to
2 implement Section 35 of this Act. ~~The Department of Commerce~~
3 ~~and Economic Opportunity may promulgate rules to implement~~
4 ~~Section 25 of this Act.~~

5 (Source: P.A. 94-793, eff. 5-19-06.)

6 (415 ILCS 120/27 new)

7 Sec. 27. Electric vehicle rebate.

8 (a) Beginning July 1, 2022, and continuing as long as
9 funds are available, each person shall be eligible to apply
10 for a rebate, in the amounts set forth below, following the
11 purchase of an electric vehicle in Illinois. The Agency shall
12 issue rebates consistent with the provisions of this Act and
13 any implementing regulations adopted by the Agency. In no
14 event shall a rebate amount exceed the purchase price of the
15 vehicle.

16 (1) Beginning July 1, 2022, a \$4,000 rebate for the
17 purchase of an electric vehicle.

18 (2) Beginning July 1, 2026, a \$2,000 rebate for the
19 purchase of an electric vehicle.

20 (3) Beginning July 1, 2028, a \$1,000 rebate for the
21 purchase of an electric vehicle.

22 (b) To be eligible to receive a rebate, a purchaser must:

23 (1) Reside in Illinois, both at the time the vehicle
24 was purchased and at the time the rebate is issued.

25 (2) Purchase an electric vehicle in Illinois on or

1 after July 1, 2022 and be the owner of the vehicle at the
2 time the rebate is issued. Rented or leased vehicles,
3 vehicles purchased from an out-of-state dealership, and
4 vehicles delivered to or received by the purchaser
5 out-of-state are not eligible for a rebate under this Act.

6 (3) Apply for the rebate within 90 days after the
7 vehicle purchase date, and provide to the Agency proof of
8 residence, proof of vehicle ownership, and proof that the
9 vehicle was purchased in Illinois, including a copy of a
10 purchase agreement noting an Illinois seller. The
11 purchaser must notify the Agency of any changes in
12 residency or ownership of the vehicle that occur between
13 application for a rebate and issuance of a rebate.

14 (c) The Agency shall make available in application
15 materials methods for purchasers to identify as low-income.
16 The Agency shall prioritize the review of qualified
17 applications from low-income purchasers and award rebates to
18 qualified purchasers accordingly.

19 (d) The purchaser must retain ownership of the vehicle for
20 a minimum of 12 consecutive months immediately after the
21 vehicle purchase date. The purchaser must continue to reside
22 in a covered area during that time frame and register the
23 vehicle in Illinois during that time frame. Rebate recipients
24 who fail to satisfy any of the above criteria will be required
25 to reimburse the Agency all or part of the original rebate
26 amount and shall notify the Agency within 60 days of failing to

1 satisfy the criteria.

2 (e) Rebates administered under this Section shall be
3 available for both new and used passenger electric vehicles.

4 (f) A rebate administered under this Act may only be
5 applied for and awarded one time per vehicle identification
6 number. A rebate may only be applied for and awarded once per
7 purchaser in any 10-year period.

8 (415 ILCS 120/35)

9 Sec. 35. User fees.

10 (a) The Office of the Secretary of State shall collect
11 annual user fees from any individual, partnership,
12 association, corporation, or agency of the United States
13 government that registers any combination of 10 or more of the
14 following types of motor vehicles in the Covered Area: (1)
15 vehicles of the First Division, as defined in the Illinois
16 Vehicle Code; (2) vehicles of the Second Division registered
17 under the B, C, D, F, H, MD, MF, MG, MH and MJ plate
18 categories, as defined in the Illinois Vehicle Code; and (3)
19 commuter vans and livery vehicles as defined in the Illinois
20 Vehicle Code. This Section does not apply to vehicles
21 registered under the International Registration Plan under
22 Section 3-402.1 of the Illinois Vehicle Code. The user fee
23 shall be \$20 for each vehicle registered in the Covered Area
24 for each fiscal year. The Office of the Secretary of State
25 shall collect the \$20 when a vehicle's registration fee is

1 paid.

2 (b) Owners of State, county, and local government
3 vehicles, rental vehicles, antique vehicles, expanded-use
4 antique vehicles, electric vehicles, and motorcycles are
5 exempt from paying the user fees on such vehicles.

6 (c) The Office of the Secretary of State shall deposit the
7 user fees collected into the Electric Vehicle Rebate ~~Alternate~~
8 ~~Fuels~~ Fund.

9 (Source: P.A. 101-505, eff. 1-1-20.)

10 (415 ILCS 120/40)

11 Sec. 40. Appropriations from the Electric Vehicle Rebate
12 ~~Alternate Fuels~~ Fund.

13 (a) User Fees Funds. The Agency shall estimate the amount
14 of user fees expected to be collected under Section 35 of this
15 Act for each fiscal year. User fee funds shall be deposited
16 into and distributed from the Alternate Fuels Fund in the
17 following manner:

18 (1) In each of fiscal years 1999, 2000, 2001, 2002,
19 and 2003, an amount not to exceed \$200,000, and beginning
20 in fiscal year 2004 an annual amount not to exceed
21 \$225,000, may be appropriated to the Agency from the
22 Alternate Fuels Fund to pay its costs of administering the
23 programs authorized by Section 27 ~~30~~ of this Act. Up to
24 \$200,000 may be appropriated to the Office of the
25 Secretary of State in each of fiscal years 1999, 2000,

1 2001, 2002, and 2003 from the Alternate Fuels Fund to pay
2 the Secretary of State's costs of administering the
3 programs authorized under this Act. Beginning in fiscal
4 year 2004 and in each fiscal year thereafter, an amount
5 not to exceed \$225,000 may be appropriated to the
6 Secretary of State from the Alternate Fuels Fund to pay
7 the Secretary of State's costs of administering the
8 programs authorized under this Act.

9 (2) In fiscal year 2022 and each fiscal year
10 thereafter ~~years 1999, 2000, 2001, and 2002,~~ after
11 appropriation of the amounts authorized by item (1) of
12 subsection (a) of this Section, the remaining moneys
13 estimated to be collected during each fiscal year shall be
14 ~~appropriated as follows: 80% of the remaining moneys shall~~
15 ~~be appropriated to fund the programs authorized by Section~~
16 ~~30, and 20% shall be appropriated to fund the programs~~
17 ~~authorized by Section 25. In fiscal year 2004 and each~~
18 ~~fiscal year thereafter, after appropriation of the amounts~~
19 ~~authorized by item (1) of subsection (a) of this Section,~~
20 ~~the remaining moneys estimated to be collected during each~~
21 ~~fiscal year shall be appropriated as follows: 70% of the~~
22 ~~remaining moneys shall be appropriated to fund the~~
23 ~~programs authorized by Section 30 and 30% shall be~~
24 ~~appropriated to fund the programs authorized by Section~~
25 ~~31.~~

26 (3) (Blank).

1 (4) Moneys appropriated to fund the programs
2 authorized in Sections 25 and 30 shall be expended only
3 after they have been collected and deposited into the
4 Alternate Fuels Fund.

5 (b) General Revenue Fund Appropriations. General Revenue
6 Fund amounts appropriated to and deposited into the Electric
7 Vehicle Rebate ~~Alternate Fuels~~ Fund shall be distributed from
8 the Electric Vehicle Rebate ~~Alternate Fuels~~ Fund to fund the
9 program authorized in Section 27. in the following manner:

10 ~~(1) In each of fiscal years 2003 and 2004, an amount~~
11 ~~not to exceed \$50,000 may be appropriated to the~~
12 ~~Department of Commerce and Community Affairs (now~~
13 ~~Department of Commerce and Economic Opportunity) from the~~
14 ~~Alternate Fuels Fund to pay its costs of administering the~~
15 ~~programs authorized by Sections 31 and 32.~~

16 ~~(2) In each of fiscal years 2003 and 2004, an amount~~
17 ~~not to exceed \$50,000 may be appropriated to the~~
18 ~~Department of Commerce and Community Affairs (now~~
19 ~~Department of Commerce and Economic Opportunity) to fund~~
20 ~~the programs authorized by Section 32.~~

21 ~~(3) In each of fiscal years 2003 and 2004, after~~
22 ~~appropriation of the amounts authorized in items (1) and~~
23 ~~(2) of subsection (b) of this Section, the remaining~~
24 ~~moneys received from the General Revenue Fund shall be~~
25 ~~appropriated as follows: 52.632% of the remaining moneys~~
26 ~~shall be appropriated to fund the programs authorized by~~

1 ~~Sections 25 and 30 and 47.368% of the remaining moneys~~
2 ~~shall be appropriated to fund the programs authorized by~~
3 ~~Section 31. The moneys appropriated to fund the programs~~
4 ~~authorized by Sections 25 and 30 shall be used as follows:~~
5 ~~20% shall be used to fund the programs authorized by~~
6 ~~Section 25, and 80% shall be used to fund the programs~~
7 ~~authorized by Section 30.~~

8 ~~Moneys appropriated to fund the programs authorized in~~
9 ~~Section 31 shall be expended only after they have been~~
10 ~~deposited into the Alternate Fuels Fund.~~

11 (Source: P.A. 93-32, eff. 7-1-03; 94-793, eff. 5-19-06.)

12 (415 ILCS 120/45)

13 Sec. 45. Electric Vehicle Rebate ~~Alternate Fuels~~ Fund;
14 creation; deposit of user fees. A separate fund in the State
15 Treasury called the Electric Vehicle Rebate ~~Alternate Fuels~~
16 Fund is created, into which shall be transferred the user fees
17 as provided in Section 35 and any other revenues, deposits,
18 State appropriations, contributions, grants, gifts, bequests,
19 legacies of money and securities, or transfers as provided by
20 law from, without limitation, governmental entities, private
21 sources, foundations, trade associations, industry
22 organizations, and not-for-profit organizations.

23 (Source: P.A. 92-858, eff. 1-3-03.)

24 (415 ILCS 120/20 rep.)

1 (415 ILCS 120/22 rep.)

2 (415 ILCS 120/24 rep.)

3 (415 ILCS 120/30 rep.)

4 (415 ILCS 120/31 rep.)

5 (415 ILCS 120/32 rep.)

6 Section 90-57. The Alternate Fuels Act is amended by
7 repealing Sections 20, 22, 24, 30, 31, and 32.

8 Section 90-59. The Illinois Vehicle Code is amended by
9 changing Section 13C-10 as follows:

10 (625 ILCS 5/13C-10)

11 Sec. 13C-10. Program.

12 (a) The Agency shall establish a program to begin February
13 1, 2007, to reduce the emission of pollutants by motor
14 vehicles. This program shall be a replacement for and
15 continuation of the program established under the Vehicle
16 Emissions Inspection Law of 1995, Chapter 13B of this Code.

17 At a minimum, this program shall provide for all of the
18 following:

19 (1) The inspection of certain motor vehicles every 2
20 years, as required under Section 13C-15.

21 (2) The establishment and operation of official
22 inspection stations.

23 (3) The designation of official test equipment and
24 testing procedures.

1 (4) The training and supervision of inspectors and
2 other personnel.

3 (5) Procedures to assure the correct operation,
4 maintenance, and calibration of test equipment.

5 (6) Procedures for certifying test results and for
6 reporting and maintaining relevant data and records.

7 (7) The funding of electric vehicle ~~alternate fuel~~
8 rebates and grants as authorized by the Electric Vehicle
9 Rebate Section 30 of the Alternate Fuels Act.

10 (b) The Agency shall provide for the operation of a
11 sufficient number of official inspection stations to prevent
12 undue difficulty for motorists to obtain the inspections
13 required under this Chapter. In the event that the Agency
14 operates inspection stations or contracts with one or more
15 parties to operate inspection stations on its behalf, the
16 Agency shall endeavor to: (i) locate the stations so that the
17 owners of vehicles subject to inspection reside within 12
18 miles of an official inspection station; and (ii) have
19 sufficient inspection capacity at the stations so that the
20 usual wait before the start of an inspection does not exceed 15
21 minutes.

22 (Source: P.A. 98-24, eff. 6-19-13.)

23 Section 90-60. The Illinois Worker Adjustment and
24 Retraining Notification Act is amended by changing Section 10
25 as follows:

1 (820 ILCS 65/10)

2 Sec. 10. Notice.

3 (a) An employer may not order a mass layoff, relocation,
4 or employment loss unless, 60 days before the order takes
5 effect, the employer gives written notice of the order to the
6 following:

7 (1) affected employees and representatives of affected
8 employees; and

9 (2) the Department of Commerce and Economic
10 Opportunity and the chief elected official of each
11 municipal and county government within which the
12 employment loss, relocation, or mass layoff occurs.

13 (a-5) An owner of an investor-owned electric generating
14 plant or coal mining operation may not order a mass layoff,
15 relocation, or employment loss unless, 2 years before the
16 order takes effect, the employer gives written notice of the
17 order to the following:

18 (1) affected employees and representatives of affected
19 employees; and

20 (2) the Department of Commerce and Economic
21 Opportunity and the chief elected official of each
22 municipal and county government within which the
23 employment loss, relocation, or mass layoff occurs.

24 (b) An employer required to give notice of any mass
25 layoff, relocation, or employment loss under this Act shall

1 include in its notice the elements required by the federal
2 Worker Adjustment and Retraining Notification Act (29 U.S.C.
3 2101 et seq.).

4 (c) Notwithstanding the requirements of subsection (a), an
5 employer is not required to provide notice if a mass layoff,
6 relocation, or employment loss is necessitated by a physical
7 calamity or an act of terrorism or war.

8 (d) The mailing of notice to an employee's last known
9 address or inclusion of notice in the employee's paycheck
10 shall be considered acceptable methods for fulfillment of the
11 employer's obligation to give notice to each affected employee
12 under this Act.

13 (e) In the case of a sale of part or all of an employer's
14 business, the seller shall be responsible for providing notice
15 for any plant closing or mass layoff in accordance with this
16 Section, up to and including the effective date of the sale.
17 After the effective date of the sale of part or all of an
18 employer's business, the purchaser shall be responsible for
19 providing notice for any plant closing or mass layoff in
20 accordance with this Section. Notwithstanding any other
21 provision of this Act, any person who is an employee of the
22 seller (other than a part-time employee) as of the effective
23 date of the sale shall be considered an employee of the
24 purchaser immediately after the effective date of the sale.

25 (f) An employer which is receiving State or local economic
26 development incentives for doing or continuing to do business

1 in this State may be required to provide additional notice
2 pursuant to Section 15 of the Business Economic Support Act.

3 (g) The rights and remedies provided to employees by this
4 Act are in addition to, and not in lieu of, any other
5 contractual or statutory rights and remedies of the employees,
6 and are not intended to alter or affect such rights and
7 remedies, except that the period of notification required by
8 this Act shall run concurrently with any period of
9 notification required by contract or by any other law.

10 (h) It is the sense of the General Assembly that an
11 employer who is not required to comply with the notice
12 requirements of this Section should, to the extent possible,
13 provide notice to its employees about a proposal to close a
14 plant or permanently reduce its workforce.

15 (Source: P.A. 93-915, eff. 1-1-05.)

16 Article 99. Miscellaneous Provisions; Effective Date

17 Section 99-95. No acceleration or delay. Where this Act
18 makes changes in a statute that is represented in this Act by
19 text that is not yet or no longer in effect (for example, a
20 Section represented by multiple versions), the use of that
21 text does not accelerate or delay the taking effect of (i) the
22 changes made by this Act or (ii) provisions derived from any
23 other Public Act.

1 Section 99-97. Severability. The provisions of this Act
2 are severable under Section 1.31 of the Statute on Statutes.

3 Section 99-99. Effective date. This Act takes effect upon
4 becoming law."