



Rep. Lawrence Walsh, Jr.

Filed: 4/7/2022

10200SB3866ham008

LRB102 24630 LNS 38948 a

1 AMENDMENT TO SENATE BILL 3866

2 AMENDMENT NO. _____. Amend Senate Bill 3866, AS AMENDED,
3 with reference to page and line numbers of House Amendment No.
4 4, as follows:

5 on page 4, immediately below line 21, by inserting the
6 following:

7 "Section 1-6. The Illinois Finance Authority Act is
8 amended by changing Section 801-10 as follows:

9 (20 ILCS 3501/801-10)

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

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

1 (b) The term "project" means an industrial project, clean
2 energy project, conservation project, housing project, public
3 purpose project, higher education project, health facility
4 project, cultural institution project, municipal bond program
5 project, PACE Project, agricultural facility or agribusiness,
6 and "project" may include any combination of one or more of the
7 foregoing undertaken jointly by any person with one or more
8 other persons.

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

23 (d) The term "industrial project" means the acquisition,
24 construction, refurbishment, creation, development or
25 redevelopment of any facility, equipment, machinery, real
26 property or personal property for use by any instrumentality

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

1 must be owned, operated, leased or managed by an entity
2 located within the State or an entity affiliated with an
3 entity located within the State, which the Authority
4 determines will aid, assist or encourage economic growth,
5 development or redevelopment within the State or any area
6 thereof, will promote the expansion, retention or
7 diversification of employment opportunities within the State
8 or any area thereof or will aid in stabilizing or developing
9 any industry or economic sector of the State economy. The term
10 "industrial project" also means the production of motion
11 pictures.

12 (e) The term "bond" or "bonds" shall include bonds, notes
13 (including bond, grant or revenue anticipation notes),
14 certificates and/or other evidences of indebtedness
15 representing an obligation to pay money, including refunding
16 bonds.

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

1 the Authority, providing for disposition of the project upon
2 termination of the lease term, including purchase options or
3 abandonment of the premises, and such other terms as may be
4 deemed desirable by the Authority, or (ii) any agreement
5 pursuant to which the Authority agrees to loan the proceeds of
6 its bonds issued with respect to a project or other funds of
7 the Authority to any person which will use or cause the project
8 to be used as a project as heretofore defined upon terms
9 providing for loan repayment installments at least sufficient
10 to pay when due all principal of, interest and premium, if any,
11 on any bonds of the Authority, if any, issued with respect to
12 the project, and providing for maintenance, insurance and
13 other matters as may be deemed desirable by the Authority.

14 (g) The term "financial aid" means the expenditure of
15 Authority funds or funds provided by the Authority through the
16 issuance of its bonds, notes or other evidences of
17 indebtedness or from other sources for the development,
18 construction, acquisition or improvement of a project.

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

23 (i) The term "unit of government" means the federal
24 government, the State or unit of local government, a school
25 district, or any agency or instrumentality, office, officer,
26 department, division, bureau, commission, college or

1 university thereof.

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

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

1 employees or students and their families, patients or
2 relatives of patients admitted for treatment or care in a
3 health facility, or persons conducting business with a health
4 facility, physician's facility, surgicenter, administration
5 building, research facility, maintenance, storage or utility
6 facility and all structures or facilities related to any of
7 the foregoing or required or useful for the operation of a
8 health facility, including parking or other facilities or
9 other supporting service structures required or useful for the
10 orderly conduct of such health facility. "Health facility"
11 also means, with respect to a project located outside the
12 State, any public or private institution, place, building, or
13 agency which provides services similar to those described
14 above, provided that such project is owned, operated, leased
15 or managed by a participating health institution located
16 within the State, or a participating health institution
17 affiliated with an entity located within the State.

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

1 (1) The term "health facility project", means a specific
2 health facility work or improvement to be financed or
3 refinanced (including without limitation through reimbursement
4 of prior expenditures), acquired, constructed, enlarged,
5 remodeled, renovated, improved, furnished, or equipped, with
6 funds provided in whole or in part hereunder, any accounts
7 receivable, working capital, liability or insurance cost or
8 operating expense financing or refinancing program of a health
9 facility with or involving funds provided in whole or in part
10 hereunder, or any combination thereof.

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

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

24 (o) The term "revenues" means, with respect to any
25 project, the rents, fees, charges, interest, principal
26 repayments, collections and other income or profit derived

1 therefrom.

2 (p) The term "higher education project" means, in the case
3 of a private institution of higher education, an educational
4 facility to be acquired, constructed, enlarged, remodeled,
5 renovated, improved, furnished, or equipped, or any
6 combination thereof.

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

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

1 an academic facility, administrative facility, agricultural
2 facility, assembly hall, athletic facility, auditorium,
3 boating facility, campus, communication facility, computer
4 facility, continuing education facility, classroom, dining
5 hall, dormitory, exhibition hall, fire fighting facility, fire
6 prevention facility, food service and preparation facility,
7 gymnasium, greenhouse, health care facility, hospital,
8 housing, instructional facility, laboratory, library,
9 maintenance facility, medical facility, museum, offices,
10 parking area, physical education facility, recreational
11 facility, research facility, stadium, storage facility,
12 student union, study facility, theatre or utility.

13 (s) The term "cultural facility" means any property
14 located within the State, or any property located outside the
15 State, provided that, if the property is located outside the
16 State, it must be owned, operated, leased or managed by an
17 entity located within the State or an entity affiliated with
18 an entity located within the State, in each case constructed
19 or acquired before or after the effective date of this Act,
20 which is or will be, in whole or in part, suitable for the
21 particular purposes or needs of a cultural institution,
22 including, without limitation, any such property suitable for
23 use as or in connection with any one or more of the following:
24 an administrative facility, aquarium, assembly hall,
25 auditorium, botanical garden, exhibition hall, gallery,
26 greenhouse, library, museum, scientific laboratory, theater or

1 zoological facility, and shall also include, without
2 limitation, books, works of art or music, animal, plant or
3 aquatic life or other items for display, exhibition or
4 performance. The term "cultural facility" includes buildings
5 on the National Register of Historic Places which are owned or
6 operated by nonprofit entities.

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

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

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

1 which require the understanding and application of basic
2 engineering, scientific, or mathematical principles or
3 knowledge;

4 (3) Is accredited by a nationally recognized
5 accrediting agency or association or, if not so
6 accredited, is an institution whose credits are accepted,
7 on transfer, by not less than 3 institutions which are so
8 accredited, for credit on the same basis as if transferred
9 from an institution so accredited, and holds an unrevoked
10 certificate of approval under the Private College Act from
11 the Board of Higher Education, or is qualified as a
12 "degree granting institution" under the Academic Degree
13 Act; and

14 (4) Does not discriminate in the admission of students
15 on the basis of race or color. "Private institution of
16 higher education" also includes any "academic
17 institution".

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

1 institutions, associations or foundations having such
2 purposes.

3 (v) The term "cultural institution" means any
4 not-for-profit institution which is not owned by the State or
5 any political subdivision, agency, instrumentality, district
6 or municipality thereof, which institution engages in the
7 cultural, intellectual, scientific, educational or artistic
8 enrichment of the people of the State. Cultural institutions
9 include, without limitation, aquaria, botanical societies,
10 historical societies, libraries, museums, performing arts
11 associations or societies, scientific societies and zoological
12 societies.

13 (w) The term "affiliate" means, with respect to financing
14 of an agricultural facility or an agribusiness, any lender,
15 any person, firm or corporation controlled by, or under common
16 control with, such lender, and any person, firm or corporation
17 controlling such lender.

18 (x) The term "agricultural facility" means land, any
19 building or other improvement thereon or thereto, and any
20 personal properties deemed necessary or suitable for use,
21 whether or not now in existence, in farming, ranching, the
22 production of agricultural commodities (including, without
23 limitation, the products of aquaculture, hydroponics and
24 silviculture) or the treating, processing or storing of such
25 agricultural commodities when such activities are customarily
26 engaged in by farmers as a part of farming and which land,

1 building, improvement or personal property is located within
2 the State, or is located outside the State, provided that, if
3 such property is located outside the State, it must be owned,
4 operated, leased, or managed by an entity located within the
5 State or an entity affiliated with an entity located within
6 the State.

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

20 (z) The term "agribusiness" means any sole proprietorship,
21 limited partnership, co-partnership, joint venture,
22 corporation or cooperative which operates or will operate a
23 facility located within the State or outside the State,
24 provided that, if any facility is located outside the State,
25 it must be owned, operated, leased, or managed by an entity
26 located within the State or an entity affiliated with an

1 entity located within the State, that is related to the
2 processing of agricultural commodities (including, without
3 limitation, the products of aquaculture, hydroponics and
4 silviculture) or the manufacturing, production or construction
5 of agricultural buildings, structures, equipment, implements,
6 and supplies, or any other facilities or processes used in
7 agricultural production. Agribusiness includes but is not
8 limited to the following:

9 (1) grain handling and processing, including grain
10 storage, drying, treatment, conditioning, mailing and
11 packaging;

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

13 (3) fruit and vegetable processing, including
14 preparation, canning and packaging;

15 (4) processing of livestock and livestock products,
16 dairy products, poultry and poultry products, fish or
17 apiarian products, including slaughter, shearing,
18 collecting, preparation, canning and packaging;

19 (5) fertilizer and agricultural chemical
20 manufacturing, processing, application and supplying;

21 (6) farm machinery, equipment and implement
22 manufacturing and supplying;

23 (7) manufacturing and supplying of agricultural
24 commodity processing machinery and equipment, including
25 machinery and equipment used in slaughter, treatment,
26 handling, collecting, preparation, canning or packaging of

1 agricultural commodities;

2 (8) farm building and farm structure manufacturing,
3 construction and supplying;

4 (9) construction, manufacturing, implementation,
5 supplying or servicing of irrigation, drainage and soil
6 and water conservation devices or equipment;

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

9 (11) facilities and equipment for processing and
10 packaging agricultural commodities specifically for
11 export;

12 (12) facilities and equipment for forestry product
13 processing and supplying, including sawmilling operations,
14 wood chip operations, timber harvesting operations, and
15 manufacturing of prefabricated buildings, paper, furniture
16 or other goods from forestry products;

17 (13) facilities and equipment for research and
18 development of products, processes and equipment for the
19 production, processing, preparation or packaging of
20 agricultural commodities and byproducts.

21 (aa) The term "asset" with respect to financing of any
22 agricultural facility or any agribusiness, means, but is not
23 limited to the following: cash crops or feed on hand;
24 livestock held for sale; breeding stock; marketable bonds and
25 securities; securities not readily marketable; accounts
26 receivable; notes receivable; cash invested in growing crops;

1 net cash value of life insurance; machinery and equipment;
2 cars and trucks; farm and other real estate including life
3 estates and personal residence; value of beneficial interests
4 in trusts; government payments or grants; and any other
5 assets.

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

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

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

1 operated, leased or managed by an entity located within the
2 State, or any entity affiliated with an entity located within
3 the State.

4 (ee) The term "conservation project" means any project
5 including the acquisition, construction, rehabilitation,
6 maintenance, operation, or upgrade that is intended to create
7 or expand open space or to reduce energy usage through
8 efficiency measures. For the purpose of this definition, "open
9 space" has the definition set forth under Section 10 of the
10 Illinois Open Land Trust Act.

11 (ff) The term "significant presence" means the existence
12 within the State of the national or regional headquarters of
13 an entity or group or such other facility of an entity or group
14 of entities where a significant amount of the business
15 functions are performed for such entity or group of entities.

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

22 (hh) The term "municipal bond program project" means a
23 program for the funding of the purchase of bonds, notes or
24 other obligations issued by or on behalf of a municipal bond
25 issuer.

26 (ii) The term "participating lender" means any trust

1 company, bank, savings bank, credit union, merchant bank,
2 investment bank, broker, investment trust, pension fund,
3 building and loan association, savings and loan association,
4 insurance company, venture capital company, or other
5 institution approved by the Authority which provides a portion
6 of the financing for a project.

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

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

13 (ll) The term "clean energy" means energy generation that
14 is substantially free (90% or more) of carbon dioxide
15 emissions by design or operations, ~~or~~ that otherwise
16 contributes to the reduction in emissions of environmentally
17 hazardous materials or reduces the volume of environmentally
18 dangerous materials, or that is generated by renewable energy
19 resources as defined in the Illinois Power Agency Act.

20 (mm) The term "clean energy project" means the
21 acquisition, construction, refurbishment, creation,
22 development or redevelopment of any facility, equipment,
23 machinery, real property, or personal property for use by the
24 State or any unit of local government, school district, agency
25 or instrumentality, office, department, division, bureau,
26 commission, college, or university of the State, for use by

1 any person or institution, public or private, for profit or
2 not for profit, or for use in any trade or business, which the
3 Authority determines will aid, assist, or encourage the
4 development or implementation of clean energy in the State, or
5 as otherwise contemplated by Article 850.

6 (nn) The term "Climate Bank" means the Authority in the
7 exercise of those powers conferred on it by this Act related to
8 clean energy or clean water, drinking water, or wastewater
9 treatment.

10 (oo) "Equity investment eligible community" and "eligible
11 community" mean the geographic areas throughout Illinois that
12 would most benefit from equitable investments by the State
13 designed to combat discrimination. Specifically, the eligible
14 communities shall be defined as the following areas:

15 (1) R3 Areas as established pursuant to Section 10-40
16 of the Cannabis Regulation and Tax Act, where residents
17 have historically been excluded from economic
18 opportunities, including opportunities in the energy
19 sector; and

20 (2) Environmental justice communities, as defined by
21 the Illinois Power Agency pursuant to the Illinois Power
22 Agency Act, where residents have historically been subject
23 to disproportionate burdens of pollution, including
24 pollution from the energy sector.

25 (pp) "Equity investment eligible person" and "eligible
26 person" mean the persons who would most benefit from equitable

1 investments by the State designed to combat discrimination.
2 Specifically, eligible persons means the following people:

3 (1) persons whose primary residence is in an equity
4 investment eligible community;

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

7 (3) persons who were formerly incarcerated.

8 (qq) "Environmental justice community" means the
9 definition of that term based on existing methodologies and
10 findings used and as may be updated by the Illinois Power
11 Agency and its program administrator in the Illinois Solar for
12 All Program.

13 (Source: P.A. 101-610, eff. 1-1-20; 102-662, eff. 9-15-21.)

14 Section 1-7. The Illinois Power Agency Act is amended by
15 changing Sections 1-10 and 1-75 as follows:

16 (20 ILCS 3855/1-10)

17 Sec. 1-10. Definitions.

18 "Agency" means the Illinois Power Agency.

19 "Agency loan agreement" means any agreement pursuant to
20 which the Illinois Finance Authority agrees to loan the
21 proceeds of revenue bonds issued with respect to a project to
22 the Agency upon terms providing for loan repayment
23 installments at least sufficient to pay when due all principal
24 of, interest and premium, if any, on those revenue bonds, and

1 providing for maintenance, insurance, and other matters in
2 respect of the project.

3 "Authority" means the Illinois Finance Authority.

4 "Brownfield site photovoltaic project" means photovoltaics
5 that are either:

6 (1) interconnected to an electric utility as defined
7 in this Section, a municipal utility as defined in this
8 Section, a public utility as defined in Section 3-105 of
9 the Public Utilities Act, or an electric cooperative as
10 defined in Section 3-119 of the Public Utilities Act and
11 located at a site that is regulated by any of the following
12 entities under the following programs:

13 (A) the United States Environmental Protection
14 Agency under the federal Comprehensive Environmental
15 Response, Compensation, and Liability Act of 1980, as
16 amended;

17 (B) the United States Environmental Protection
18 Agency under the Corrective Action Program of the
19 federal Resource Conservation and Recovery Act, as
20 amended;

21 (C) the Illinois Environmental Protection Agency
22 under the Illinois Site Remediation Program; or

23 (D) the Illinois Environmental Protection Agency
24 under the Illinois Solid Waste Program; or

25 (2) located at the site of a coal mine that has
26 permanently ceased coal production, permanently halted any

1 re-mining operations, and is no longer accepting any coal
2 combustion residues; has both completed all clean-up and
3 remediation obligations under the federal Surface Mining
4 and Reclamation Act of 1977 and all applicable Illinois
5 rules and any other clean-up, remediation, or ongoing
6 monitoring to safeguard the health and well-being of the
7 people of the State of Illinois, as well as demonstrated
8 compliance with all applicable federal and State
9 environmental rules and regulations, including, but not
10 limited, to 35 Ill. Adm. Code Part 845 and any rules for
11 historic fill of coal combustion residuals, including any
12 rules finalized in Subdocket A of Illinois Pollution
13 Control Board docket R2020-019.

14 "Clean coal facility" means an electric generating
15 facility that uses primarily coal as a feedstock and that
16 captures and sequesters carbon dioxide emissions at the
17 following levels: at least 50% of the total carbon dioxide
18 emissions that the facility would otherwise emit if, at the
19 time construction commences, the facility is scheduled to
20 commence operation before 2016, at least 70% of the total
21 carbon dioxide emissions that the facility would otherwise
22 emit if, at the time construction commences, the facility is
23 scheduled to commence operation during 2016 or 2017, and at
24 least 90% of the total carbon dioxide emissions that the
25 facility would otherwise emit if, at the time construction
26 commences, the facility is scheduled to commence operation

1 after 2017. The power block of the clean coal facility shall
2 not exceed allowable emission rates for sulfur dioxide,
3 nitrogen oxides, carbon monoxide, particulates and mercury for
4 a natural gas-fired combined-cycle facility the same size as
5 and in the same location as the clean coal facility at the time
6 the clean coal facility obtains an approved air permit. All
7 coal used by a clean coal facility shall have high volatile
8 bituminous rank and greater than 1.7 pounds of sulfur per
9 million btu content, unless the clean coal facility does not
10 use gasification technology and was operating as a
11 conventional coal-fired electric generating facility on June
12 1, 2009 (the effective date of Public Act 95-1027).

13 "Clean coal SNG brownfield facility" means a facility that
14 (1) has commenced construction by July 1, 2015 on an urban
15 brownfield site in a municipality with at least 1,000,000
16 residents; (2) uses a gasification process to produce
17 substitute natural gas; (3) uses coal as at least 50% of the
18 total feedstock over the term of any sourcing agreement with a
19 utility and the remainder of the feedstock may be either
20 petroleum coke or coal, with all such coal having a high
21 bituminous rank and greater than 1.7 pounds of sulfur per
22 million Btu content unless the facility reasonably determines
23 that it is necessary to use additional petroleum coke to
24 deliver additional consumer savings, in which case the
25 facility shall use coal for at least 35% of the total feedstock
26 over the term of any sourcing agreement; and (4) captures and

1 sequesters at least 85% of the total carbon dioxide emissions
2 that the facility would otherwise emit.

3 "Clean coal SNG facility" means a facility that uses a
4 gasification process to produce substitute natural gas, that
5 sequesters at least 90% of the total carbon dioxide emissions
6 that the facility would otherwise emit, that uses at least 90%
7 coal as a feedstock, with all such coal having a high
8 bituminous rank and greater than 1.7 pounds of sulfur per
9 million btu content, and that has a valid and effective permit
10 to construct emission sources and air pollution control
11 equipment and approval with respect to the federal regulations
12 for Prevention of Significant Deterioration of Air Quality
13 (PSD) for the plant pursuant to the federal Clean Air Act;
14 provided, however, a clean coal SNG brownfield facility shall
15 not be a clean coal SNG facility.

16 "Clean energy" means energy generation that is 90% or
17 greater free of carbon dioxide emissions or is generated by a
18 renewable energy resource.

19 "Commission" means the Illinois Commerce Commission.

20 "Community renewable generation project" means an electric
21 generating facility that:

22 (1) is powered by a renewable energy resource ~~wind,~~
23 ~~solar thermal energy, photovoltaic cells or panels,~~
24 ~~biodiesel, crops and untreated and unadulterated organic~~
25 ~~waste biomass, and hydropower that does not involve new~~
26 ~~construction or significant expansion of hydropower dams;~~

1 (2) is interconnected at the distribution system level
2 of an electric utility as defined in this Section, a
3 municipal utility as defined in this Section that owns or
4 operates electric distribution facilities, a public
5 utility as defined in Section 3-105 of the Public
6 Utilities Act, or an electric cooperative, as defined in
7 Section 3-119 of the Public Utilities Act;

8 (3) credits the value of electricity generated by the
9 facility to the subscribers of the facility; and

10 (4) is limited in nameplate capacity to less than or
11 equal to 5,000 kilowatts.

12 "Costs incurred in connection with the development and
13 construction of a facility" means:

14 (1) the cost of acquisition of all real property,
15 fixtures, and improvements in connection therewith and
16 equipment, personal property, and other property, rights,
17 and easements acquired that are deemed necessary for the
18 operation and maintenance of the facility;

19 (2) financing costs with respect to bonds, notes, and
20 other evidences of indebtedness of the Agency;

21 (3) all origination, commitment, utilization,
22 facility, placement, underwriting, syndication, credit
23 enhancement, and rating agency fees;

24 (4) engineering, design, procurement, consulting,
25 legal, accounting, title insurance, survey, appraisal,
26 escrow, trustee, collateral agency, interest rate hedging,

1 interest rate swap, capitalized interest, contingency, as
2 required by lenders, and other financing costs, and other
3 expenses for professional services; and

4 (5) the costs of plans, specifications, site study and
5 investigation, installation, surveys, other Agency costs
6 and estimates of costs, and other expenses necessary or
7 incidental to determining the feasibility of any project,
8 together with such other expenses as may be necessary or
9 incidental to the financing, insuring, acquisition, and
10 construction of a specific project and starting up,
11 commissioning, and placing that project in operation.

12 "Delivery services" has the same definition as found in
13 Section 16-102 of the Public Utilities Act.

14 "Delivery year" means the consecutive 12-month period
15 beginning June 1 of a given year and ending May 31 of the
16 following year.

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

19 "Director" means the Director of the Illinois Power
20 Agency.

21 "Demand-response" means measures that decrease peak
22 electricity demand or shift demand from peak to off-peak
23 periods.

24 "Distributed renewable energy generation device" means a
25 device that is:

26 (1) powered by a renewable energy resource ~~wind, solar~~

1 ~~thermal energy, photovoltaic cells or panels, biodiesel,~~
2 ~~crops and untreated and unadulterated organic waste~~
3 ~~biomass, tree waste, and hydropower that does not involve~~
4 ~~new construction or significant expansion of hydropower~~
5 ~~dams, waste heat to power systems, or qualified combined~~
6 ~~heat and power systems;~~

7 (2) interconnected at the distribution system level of
8 either an electric utility as defined in this Section, a
9 municipal utility as defined in this Section that owns or
10 operates electric distribution facilities, or a rural
11 electric cooperative as defined in Section 3-119 of the
12 Public Utilities Act;

13 (3) located on the customer side of the customer's
14 electric meter and is primarily used to offset that
15 customer's electricity load; and

16 (4) (blank).

17 "Energy efficiency" means measures that reduce the amount
18 of electricity or natural gas consumed in order to achieve a
19 given end use. "Energy efficiency" includes voltage
20 optimization measures that optimize the voltage at points on
21 the electric distribution voltage system and thereby reduce
22 electricity consumption by electric customers' end use
23 devices. "Energy efficiency" also includes measures that
24 reduce the total Btus of electricity, natural gas, and other
25 fuels needed to meet the end use or uses.

26 "Electric utility" has the same definition as found in

1 Section 16-102 of the Public Utilities Act.

2 "Equity investment eligible community" or "eligible
3 community" are synonymous and mean the geographic areas
4 throughout Illinois which would most benefit from equitable
5 investments by the State designed to combat discrimination.
6 Specifically, the eligible communities shall be defined as the
7 following areas:

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

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

18 "Equity eligible persons" or "eligible persons" means
19 persons who would most benefit from equitable investments by
20 the State designed to combat discrimination, specifically:

21 (1) persons who graduate from or are current or former
22 participants in the Clean Jobs Workforce Network Program,
23 the Clean Energy Contractor Incubator Program, the
24 Illinois Climate Works Preapprenticeship Program,
25 Returning Residents Clean Jobs Training Program, or the
26 Clean Energy Primes Contractor Accelerator Program, and

1 the solar training pipeline and multi-cultural jobs
2 program created in paragraphs (a) (1) and (a) (3) of Section
3 16-108.21 of the Public Utilities Act;

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

6 (3) persons who were formerly incarcerated;

7 (4) persons whose primary residence is in an equity
8 investment eligible community.

9 "Equity eligible contractor" means a business that is
10 majority-owned by eligible persons, or a nonprofit or
11 cooperative that is majority-governed by eligible persons, or
12 is a natural person that is an eligible person offering
13 personal services as an independent contractor.

14 "Facility" means an electric generating unit or a
15 co-generating unit that produces electricity along with
16 related equipment necessary to connect the facility to an
17 electric transmission or distribution system.

18 "General Contractor" means the entity or organization with
19 main responsibility for the building of a construction project
20 and who is the party signing the prime construction contract
21 for the project.

22 "Governmental aggregator" means one or more units of local
23 government that individually or collectively procure
24 electricity to serve residential retail electrical loads
25 located within its or their jurisdiction.

26 "High voltage direct current converter station" means the

1 collection of equipment that converts direct current energy
2 from a high voltage direct current transmission line into
3 alternating current using Voltage Source Conversion technology
4 and that is interconnected with transmission or distribution
5 assets located in Illinois.

6 "High voltage direct current renewable energy credit"
7 means a renewable energy credit associated with a renewable
8 energy resource where the renewable energy resource has
9 entered into a contract to transmit the energy associated with
10 such renewable energy credit over high voltage direct current
11 transmission facilities.

12 "High voltage direct current transmission facilities"
13 means the collection of installed equipment that converts
14 alternating current energy in one location to direct current
15 and transmits that direct current energy to a high voltage
16 direct current converter station using Voltage Source
17 Conversion technology. "High voltage direct current
18 transmission facilities" includes the high voltage direct
19 current converter station itself and associated high voltage
20 direct current transmission lines. Notwithstanding the
21 preceding, after the effective date of this amendatory Act of
22 the 102nd General Assembly, an otherwise qualifying collection
23 of equipment does not qualify as high voltage direct current
24 transmission facilities unless its developer entered into a
25 project labor agreement, is capable of transmitting
26 electricity at 525kv with an Illinois converter station

1 located and interconnected in the region of the PJM
2 Interconnection, LLC, and the system does not operate as a
3 public utility, as that term is defined in Section 3-105 of the
4 Public Utilities Act.

5 "Index price" means the real-time energy settlement price
6 at the applicable Illinois trading hub, such as PJM-NIHUB or
7 MISO-IL, for a given settlement period.

8 "Indexed renewable energy credit" means a tradable credit
9 that represents the environmental attributes of one megawatt
10 hour of energy produced from a renewable energy resource, the
11 price of which shall be calculated by subtracting the strike
12 price offered by a new utility-scale wind project or a new
13 utility-scale photovoltaic project from the index price in a
14 given settlement period.

15 "Indexed renewable energy credit counterparty" has the
16 same meaning as "public utility" as defined in Section 3-105
17 of the Public Utilities Act.

18 "Local government" means a unit of local government as
19 defined in Section 1 of Article VII of the Illinois
20 Constitution.

21 "Municipality" means a city, village, or incorporated
22 town.

23 "Municipal utility" means a public utility owned and
24 operated by any subdivision or municipal corporation of this
25 State.

26 "Nameplate capacity" means the aggregate inverter

1 nameplate capacity in kilowatts AC.

2 "Person" means any natural person, firm, partnership,
3 corporation, either domestic or foreign, company, association,
4 limited liability company, joint stock company, or association
5 and includes any trustee, receiver, assignee, or personal
6 representative thereof.

7 "Project" means the planning, bidding, and construction of
8 a facility.

9 "Project labor agreement" means a pre-hire collective
10 bargaining agreement that covers all terms and conditions of
11 employment on a specific construction project and must include
12 the following:

13 (1) provisions establishing the minimum hourly wage
14 for each class of labor organization employee;

15 (2) provisions establishing the benefits and other
16 compensation for each class of labor organization
17 employee;

18 (3) provisions establishing that no strike or disputes
19 will be engaged in by the labor organization employees;

20 (4) provisions establishing that no lockout or
21 disputes will be engaged in by the general contractor
22 building the project; and

23 (5) provisions for minorities and women, as defined
24 under the Business Enterprise for Minorities, Women, and
25 Persons with Disabilities Act, setting forth goals for
26 apprenticeship hours to be performed by minorities and

1 women and setting forth goals for total hours to be
2 performed by underrepresented minorities and women.

3 A labor organization and the general contractor building
4 the project shall have the authority to include other terms
5 and conditions as they deem necessary.

6 "Public utility" has the same definition as found in
7 Section 3-105 of the Public Utilities Act.

8 "Qualified combined heat and power systems" means systems
9 that, either simultaneously or sequentially, produce
10 electricity and useful thermal energy from a single fuel
11 source. Such systems are eligible for "renewable energy
12 credits" in an amount equal to its total energy output where a
13 renewable fuel is consumed or in an amount equal to the net
14 reduction in nonrenewable fuel consumed on a total energy
15 output basis.

16 "Real property" means any interest in land together with
17 all structures, fixtures, and improvements thereon, including
18 lands under water and riparian rights, any easements,
19 covenants, licenses, leases, rights-of-way, uses, and other
20 interests, together with any liens, judgments, mortgages, or
21 other claims or security interests related to real property.

22 "Renewable energy credit" means a tradable credit that
23 represents the environmental attributes of one megawatt hour
24 of energy produced from a renewable energy resource.

25 "Renewable energy resources" includes energy and its
26 associated renewable energy credit or renewable energy credits

1 from wind, solar thermal energy, photovoltaic cells and
2 panels, biofuels, hydrogen, other carbon neutral fuels
3 ~~biodiesel~~, anaerobic digestion, crops and untreated and
4 unadulterated organic waste biomass, and hydropower that does
5 not involve new construction or significant expansion of
6 hydropower dams, waste heat to power systems, or qualified
7 combined heat and power systems. For purposes of this Act,
8 landfill gas produced in the State is considered a renewable
9 energy resource. "Renewable energy resources" does not include
10 the incineration or burning of tires, garbage, general
11 household, institutional, and commercial waste, industrial
12 lunchroom or office waste, landscape waste, railroad
13 crossties, utility poles, or construction or demolition
14 debris, other than untreated and unadulterated waste wood.
15 "Renewable energy resources" also includes high voltage direct
16 current renewable energy credits and the associated energy
17 converted to alternating current by a high voltage direct
18 current converter station to the extent that: (1) the
19 generator of such renewable energy resource contracted with a
20 third party to transmit the energy over the high voltage
21 direct current transmission facilities, and (2) the
22 third-party contracting for delivery of renewable energy
23 resources over the high voltage direct current transmission
24 facilities have ownership rights over the unretired associated
25 high voltage direct current renewable energy credit.

26 "Retail customer" has the same definition as found in

1 Section 16-102 of the Public Utilities Act.

2 "Revenue bond" means any bond, note, or other evidence of
3 indebtedness issued by the Authority, the principal and
4 interest of which is payable solely from revenues or income
5 derived from any project or activity of the Agency.

6 "Sequester" means permanent storage of carbon dioxide by
7 injecting it into a saline aquifer, a depleted gas reservoir,
8 or an oil reservoir, directly or through an enhanced oil
9 recovery process that may involve intermediate storage,
10 regardless of whether these activities are conducted by a
11 clean coal facility, a clean coal SNG facility, a clean coal
12 SNG brownfield facility, or a party with which a clean coal
13 facility, clean coal SNG facility, or clean coal SNG
14 brownfield facility has contracted for such purposes.

15 "Service area" has the same definition as found in Section
16 16-102 of the Public Utilities Act.

17 "Settlement period" means the period of time utilized by
18 MISO and PJM and their successor organizations as the basis
19 for settlement calculations in the real-time energy market.

20 "Sourcing agreement" means (i) in the case of an electric
21 utility, an agreement between the owner of a clean coal
22 facility and such electric utility, which agreement shall have
23 terms and conditions meeting the requirements of paragraph (3)
24 of subsection (d) of Section 1-75, (ii) in the case of an
25 alternative retail electric supplier, an agreement between the
26 owner of a clean coal facility and such alternative retail

1 electric supplier, which agreement shall have terms and
2 conditions meeting the requirements of Section 16-115(d) (5) of
3 the Public Utilities Act, and (iii) in case of a gas utility,
4 an agreement between the owner of a clean coal SNG brownfield
5 facility and the gas utility, which agreement shall have the
6 terms and conditions meeting the requirements of subsection
7 (h-1) of Section 9-220 of the Public Utilities Act.

8 "Strike price" means a contract price for energy and
9 renewable energy credits from a new utility-scale wind project
10 or a new utility-scale photovoltaic project.

11 "Subscriber" means a person who (i) takes delivery service
12 from an electric utility, and (ii) has a subscription of no
13 less than 200 watts to a community renewable generation
14 project that is located in the electric utility's service
15 area. No subscriber's subscriptions may total more than 40% of
16 the nameplate capacity of an individual community renewable
17 generation project. Entities that are affiliated by virtue of
18 a common parent shall not represent multiple subscriptions
19 that total more than 40% of the nameplate capacity of an
20 individual community renewable generation project.

21 "Subscription" means an interest in a community renewable
22 generation project expressed in kilowatts, which is sized
23 primarily to offset part or all of the subscriber's
24 electricity usage.

25 "Substitute natural gas" or "SNG" means a gas manufactured
26 by gasification of hydrocarbon feedstock, which is

1 substantially interchangeable in use and distribution with
2 conventional natural gas.

3 "Total resource cost test" or "TRC test" means a standard
4 that is met if, for an investment in energy efficiency or
5 demand-response measures, the benefit-cost ratio is greater
6 than one. The benefit-cost ratio is the ratio of the net
7 present value of the total benefits of the program to the net
8 present value of the total costs as calculated over the
9 lifetime of the measures. A total resource cost test compares
10 the sum of avoided electric utility costs, representing the
11 benefits that accrue to the system and the participant in the
12 delivery of those efficiency measures and including avoided
13 costs associated with reduced use of natural gas or other
14 fuels, avoided costs associated with reduced water
15 consumption, and avoided costs associated with reduced
16 operation and maintenance costs, as well as other quantifiable
17 societal benefits, to the sum of all incremental costs of
18 end-use measures that are implemented due to the program
19 (including both utility and participant contributions), plus
20 costs to administer, deliver, and evaluate each demand-side
21 program, to quantify the net savings obtained by substituting
22 the demand-side program for supply resources. In calculating
23 avoided costs of power and energy that an electric utility
24 would otherwise have had to acquire, reasonable estimates
25 shall be included of financial costs likely to be imposed by
26 future regulations and legislation on emissions of greenhouse

1 gases. In discounting future societal costs and benefits for
2 the purpose of calculating net present values, a societal
3 discount rate based on actual, long-term Treasury bond yields
4 should be used. Notwithstanding anything to the contrary, the
5 TRC test shall not include or take into account a calculation
6 of market price suppression effects or demand reduction
7 induced price effects.

8 "Utility-scale solar project" means an electric generating
9 facility that:

10 (1) generates electricity using photovoltaic cells;

11 and

12 (2) has a nameplate capacity that is greater than
13 5,000 kilowatts.

14 "Utility-scale wind project" means an electric generating
15 facility that:

16 (1) generates electricity using wind; and

17 (2) has a nameplate capacity that is greater than
18 5,000 kilowatts.

19 "Waste Heat to Power Systems" means systems that capture
20 and generate electricity from energy that would otherwise be
21 lost to the atmosphere without the use of additional fuel.

22 "Zero emission credit" means a tradable credit that
23 represents the environmental attributes of one megawatt hour
24 of energy produced from a zero emission facility.

25 "Zero emission facility" means a facility that: (1) is
26 fueled by nuclear power; and (2) is interconnected with PJM

1 Interconnection, LLC or the Midcontinent Independent System
2 Operator, Inc., or their successors.

3 (Source: P.A. 102-662, eff. 9-15-21.)

4 (20 ILCS 3855/1-75)

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

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

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

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

23 In accordance with subsection (c-5) of this Section, the
24 Planning and Procurement Bureau shall oversee the procurement
25 by electric utilities that served more than 300,000 retail
26 customers in this State as of January 1, 2019 of renewable

1 energy credits from new utility-scale solar projects to be
2 installed, along with energy storage facilities, at or
3 adjacent to the sites of electric generating facilities that,
4 as of January 1, 2016, burned coal as their primary fuel
5 source.

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

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

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

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

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

24 (E) expertise in credit protocols and familiarity
25 with contract protocols;

26 (F) adequate resources to perform and fulfill the

1 required functions and responsibilities; and

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

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

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

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

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

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

21 (E) expertise in credit and contract protocols;

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

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

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

16 (A) failure to satisfy qualification criteria;

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

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

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

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

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

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

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

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

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

9 (c) Renewable portfolio standard.

10 (1) (A) The Agency shall develop a long-term renewable
11 resources procurement plan that shall include procurement
12 programs and competitive procurement events necessary to
13 meet the goals set forth in this subsection (c). The
14 initial long-term renewable resources procurement plan
15 shall be released for comment no later than 160 days after
16 June 1, 2017 (the effective date of Public Act 99-906).
17 The Agency shall review, and may revise on an expedited
18 basis, the long-term renewable resources procurement plan
19 at least every 2 years, which shall be conducted in
20 conjunction with the procurement plan under Section
21 16-111.5 of the Public Utilities Act to the extent
22 practicable to minimize administrative expense. No later
23 than 120 days after the effective date of this amendatory
24 Act of the 102nd General Assembly, the Agency shall
25 release for comment a revision to the long-term renewable
26 resources procurement plan, updating elements of the most

1 recently approved plan as needed to comply with this
2 amendatory Act of the 102nd General Assembly, and any
3 long-term renewable resources procurement plan update
4 published by the Agency but not yet approved by the
5 Illinois Commerce Commission shall be withdrawn. The
6 long-term renewable resources procurement plans shall be
7 subject to review and approval by the Commission under
8 Section 16-111.5 of the Public Utilities Act.

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

1 compliance with the new wind and new photovoltaic
2 procurement requirements described in items (i) through
3 (iii) of subparagraph (C) of this paragraph (1) over the
4 annual percentage targets described in this subparagraph
5 (B). The Agency shall not comply with the annual
6 percentage targets described in this subparagraph (B) by
7 procuring renewable energy credits that are unlikely to
8 lead to the development of new renewable resources.

9 For the delivery year beginning June 1, 2017, the
10 procurement plan shall attempt to include, subject to the
11 prioritization outlined in this subparagraph (B),
12 cost-effective renewable energy resources equal to at
13 least 13% of each utility's load for eligible retail
14 customers and 13% of the applicable portion of each
15 utility's load for retail customers who are not eligible
16 retail customers, which applicable portion shall equal 50%
17 of the utility's load for retail customers who are not
18 eligible retail customers on February 28, 2017.

19 For the delivery year beginning June 1, 2018, the
20 procurement plan shall attempt to include, subject to the
21 prioritization outlined in this subparagraph (B),
22 cost-effective renewable energy resources equal to at
23 least 14.5% of each utility's load for eligible retail
24 customers and 14.5% of the applicable portion of each
25 utility's load for retail customers who are not eligible
26 retail customers, which applicable portion shall equal 75%

1 of the utility's load for retail customers who are not
2 eligible retail customers on February 28, 2017.

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

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

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

1 described in subparagraph (A) of this paragraph (1) shall
2 include the procurement of renewable energy credits from
3 new projects in amounts equal to at least the following:

4 (i) 10,000,000 renewable energy credits delivered
5 annually by the end of the 2021 delivery year, and
6 increasing ratably to reach 45,000,000 renewable
7 energy credits delivered annually from new wind, ~~and~~
8 solar, and other renewable energy resource projects by
9 the end of delivery year 2030 such that the goals in
10 subparagraph (B) of this paragraph (1) are met 75%
11 ~~entirely~~ by procurements of renewable energy credits
12 from new wind and photovoltaic projects and 25% by
13 other renewable energy resources such that the State
14 maintains a sufficient, diverse, reliable, and
15 cost-effective renewable energy resources mix. Of the
16 75% of procurements from new wind and photovoltaic
17 projects ~~that amount~~, to the extent possible, the
18 Agency shall procure 45% from wind projects and 55%
19 from photovoltaic projects. Of the amount to be
20 procured from photovoltaic projects, the Agency shall
21 procure: at least 50% from solar photovoltaic projects
22 using the program outlined in subparagraph (K) of this
23 paragraph (1) from distributed renewable energy
24 generation devices or community renewable generation
25 projects; at least 47% from utility-scale solar
26 projects; at least 3% from brownfield site

1 photovoltaic projects that are not community renewable
2 generation projects. To the extent that during any
3 delivery year the Agency is unable to procure
4 sufficient renewable energy credits to meet one or
5 more of these categorical percentages, the Agency
6 shall attempt to meet the overall annual procurement
7 goals provided in this Section by procuring renewable
8 energy credits from another category of renewable
9 energy resources.

10 In developing the long-term renewable resources
11 procurement plan, the Agency shall consider other
12 approaches, in addition to competitive procurements,
13 that can be used to procure renewable energy credits
14 from brownfield site photovoltaic projects and thereby
15 help return blighted or contaminated land to
16 productive use while enhancing public health and the
17 well-being of Illinois residents, including those in
18 environmental justice communities, as defined using
19 existing methodologies and findings used by the Agency
20 and its Administrator in its Illinois Solar for All
21 Program.

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

1 outlined in item (i) of this subparagraph (C).

2 (iii) For purposes of this Section:

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

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 shall be developed by the procurement
19 administrator, in consultation with the Commission staff,
20 Agency staff, and the procurement monitor and shall be
21 subject to Commission review and approval. If price
22 benchmarks for like products in the region are not
23 available, the procurement administrator shall establish
24 price benchmarks based on publicly available data on
25 regional technology costs and expected current and future
26 regional energy prices. The benchmarks in this Section

1 shall not be used to curtail or otherwise reduce
2 contractual obligations entered into by or through the
3 Agency prior to June 1, 2017 (the effective date of Public
4 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% of the amount paid per kilowatthour by those
10 customers during the year ending May 31, 2009. To arrive
11 at a maximum dollar amount of renewable energy resources
12 to be procured for the particular delivery year, the
13 resulting per kilowatthour amount shall be applied to the
14 actual amount of kilowatthours of electricity delivered,
15 or applicable portion of such amount as specified in
16 paragraph (1) of this subsection (c), as applicable, by
17 the electric utility in the delivery year immediately
18 prior to the procurement to all retail customers in its
19 service territory. The calculations required by this
20 subparagraph (E) shall be made only once for each delivery
21 year at the time that the renewable energy resources are
22 procured. Once the determination as to the amount of
23 renewable energy resources to procure is made based on the
24 calculations set forth in this subparagraph (E) and the
25 contracts procuring those amounts are executed, no
26 subsequent rate impact determinations shall be made and no

1 adjustments to those contract amounts shall be allowed.
2 All costs incurred under such contracts shall be fully
3 recoverable by the electric utility as provided in this
4 Section.

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

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

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

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

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

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

26 (i) Notwithstanding whether a long-term renewable

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

23 (ii) Notwithstanding whether a long-term renewable
24 resources procurement plan has been approved, the
25 Agency shall conduct an initial forward procurement
26 for renewable energy credits from new utility-scale

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

24 (iii) Notwithstanding whether the Commission has
25 approved the periodic long-term renewable resources
26 procurement plan revision described in Section

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

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

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

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

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

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

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

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

1 quickly as possible.

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

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

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

26 (B) Contract awards for waitlisted

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

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

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

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

24 (iv) Assuming all other program
25 requirements are met, applicant firms may
26 adjust the expected production associated

1 with applicant projects, subject to
2 verification by the Program Administrator.

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

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

1 (iii) of subparagraph (K) of this subsection
2 (c).

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

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

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

26 (iii) Permission for the ability of a

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

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

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

1 selected project.

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

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

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

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

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

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

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

1 quantity of energy produced in the relevant
2 settlement period.

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

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

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

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

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

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

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

21 (i) Within 45 days after June 1, 2017 (the
22 effective date of Public Act 99-906), an alternative
23 retail electric supplier or its successor shall submit
24 an informational filing to the Illinois Commerce
25 Commission certifying that, as of December 31, 2015,
26 the alternative retail electric supplier owned one or

1 more electric generating facilities that generates
2 renewable energy resources as defined in Section 1-10
3 of this Act, provided that such facilities are not
4 powered by wind or photovoltaics, and the facilities
5 generate one renewable energy credit for each
6 megawatt-hour of energy produced from the facility.

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

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

18 (iii) The alternative retail electric supplier
19 shall notify the Agency and the applicable utility, no
20 later than February 28 of the year preceding the
21 applicable delivery year or 15 days after June 1, 2017
22 (the effective date of Public Act 99-906), whichever
23 is later, of its election under item (ii) of this
24 subparagraph (H) to supply renewable energy credits to
25 retail customers of the utility. Such election shall
26 identify the amount of renewable energy credits to be

1 supplied by the alternative retail electric supplier
2 to the utility's retail customers and the source of
3 the renewable energy credits identified in the
4 informational filing as described in item (i) of this
5 subparagraph (H), subject to the following
6 limitations:

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

17 For delivery years beginning June 1, 2019 and
18 each year thereafter, the maximum amount of
19 renewable energy credits to be supplied by an
20 alternative retail electric supplier under this
21 subparagraph (H) shall be 68% multiplied by 50%
22 multiplied by 16% multiplied by the amount of
23 metered electricity (megawatt-hours) delivered by
24 the alternative retail electric supplier to
25 Illinois retail customers during the delivery year
26 ending May 31, 2016, provided that the 16% value

1 shall increase by 1.5% each delivery year
2 thereafter to 25% by the delivery year beginning
3 June 1, 2025, and thereafter the 25% value shall
4 apply to each delivery year.

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

18 If the requirements set forth in items (i) through
19 (iii) of this subparagraph (H) are met, the charges
20 that would otherwise be applicable to the retail
21 customers of the alternative retail electric supplier
22 under paragraph (6) of this subsection (c) for the
23 applicable delivery year shall be reduced by the ratio
24 of the quantity of renewable energy credits supplied
25 by the alternative retail electric supplier compared
26 to that supplier's target renewable energy credit

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

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

15 (I) The Agency shall design its long-term renewable
16 energy procurement plan to maximize the State's interest
17 in the health, safety, and welfare of its residents,
18 including but not limited to minimizing sulfur dioxide,
19 nitrogen oxide, particulate matter and other pollution
20 that adversely affects public health in this State,
21 increasing fuel and resource diversity in this State,
22 enhancing the reliability and resiliency of the
23 electricity distribution system in this State, meeting
24 goals to limit carbon dioxide emissions under federal or
25 State law, and contributing to a cleaner and healthier
26 environment for the citizens of this State. In order to

1 further these legislative purposes, renewable energy
2 credits shall be eligible to be counted toward the
3 renewable energy requirements of this subsection (c) if
4 they are generated from facilities located in this State.
5 The Agency may qualify renewable energy credits from
6 facilities located in states adjacent to Illinois or
7 renewable energy credits associated with the electricity
8 generated by a utility-scale wind energy facility or
9 utility-scale photovoltaic facility and transmitted by a
10 qualifying direct current project described in subsection
11 (b-5) of Section 8-406 of the Public Utilities Act to a
12 delivery point on the electric transmission grid located
13 in this State or a state adjacent to Illinois, if the
14 generator demonstrates and the Agency determines that the
15 operation of such facility or facilities will help promote
16 the State's interest in the health, safety, and welfare of
17 its residents based on the public interest criteria
18 described above. For the purposes of this Section,
19 renewable resources that are delivered via a high voltage
20 direct current converter station located in Illinois shall
21 be deemed generated in Illinois at the time and location
22 the energy is converted to alternating current by the high
23 voltage direct current converter station if the high
24 voltage direct current transmission line: (i) after the
25 effective date of this amendatory Act of the 102nd General
26 Assembly, was constructed with a project labor agreement;

1 (ii) is capable of transmitting electricity at 525kv;
2 (iii) has an Illinois converter station located and
3 interconnected in the region of the PJM Interconnection,
4 LLC; (iv) does not operate as a public utility; and (v) if
5 the high voltage direct current transmission line was
6 energized after June 1, 2023. To ensure that the public
7 interest criteria are applied to the procurement and given
8 full effect, the Agency's long-term procurement plan shall
9 describe in detail how each public interest factor shall
10 be considered and weighted for facilities located in
11 states adjacent to Illinois.

12 (J) In order to promote the competitive development of
13 renewable energy resources in furtherance of the State's
14 interest in the health, safety, and welfare of its
15 residents, renewable energy credits shall not be eligible
16 to be counted toward the renewable energy requirements of
17 this subsection (c) if they are sourced from a generating
18 unit whose costs were being recovered through rates
19 regulated by this State or any other state or states on or
20 after January 1, 2017. Each contract executed to purchase
21 renewable energy credits under this subsection (c) shall
22 provide for the contract's termination if the costs of the
23 generating unit supplying the renewable energy credits
24 subsequently begin to be recovered through rates regulated
25 by this State or any other state or states; and each
26 contract shall further provide that, in that event, the

1 supplier of the credits must return 110% of all payments
2 received under the contract. Amounts returned under the
3 requirements of this subparagraph (J) shall be retained by
4 the utility and all of these amounts shall be used for the
5 procurement of additional renewable energy credits from
6 new wind or new photovoltaic resources as defined in this
7 subsection (c). The long-term plan shall provide that
8 these renewable energy credits shall be procured in the
9 next procurement event.

10 Notwithstanding the limitations of this subparagraph
11 (J), renewable energy credits sourced from generating
12 units that are constructed, purchased, owned, or leased by
13 an electric utility as part of an approved project,
14 program, or pilot under Section 1-56 of this Act shall be
15 eligible to be counted toward the renewable energy
16 requirements of this subsection (c), regardless of how the
17 costs of these units are recovered. As long as a
18 generating unit or an identifiable portion of a generating
19 unit has not had and does not have its costs recovered
20 through rates regulated by this State or any other state,
21 HVDC renewable energy credits associated with that
22 generating unit or identifiable portion thereof shall be
23 eligible to be counted toward the renewable energy
24 requirements of this subsection (c).

25 (K) The long-term renewable resources procurement plan
26 developed by the Agency in accordance with subparagraph

1 (A) of this paragraph (1) shall include an Adjustable
2 Block program for the procurement of renewable energy
3 credits from new photovoltaic projects that are
4 distributed renewable energy generation devices or new
5 photovoltaic community renewable generation projects. The
6 Adjustable Block program shall be generally designed to
7 provide for the steady, predictable, and sustainable
8 growth of new solar photovoltaic development in Illinois.
9 To this end, the Adjustable Block program shall provide a
10 transparent annual schedule of prices and quantities to
11 enable the photovoltaic market to scale up and for
12 renewable energy credit prices to adjust at a predictable
13 rate over time. The prices set by the Adjustable Block
14 program can be reflected as a set value or as the product
15 of a formula.

16 The Adjustable Block program shall include for each
17 category of eligible projects for each delivery year: a
18 single block of nameplate capacity, a price for renewable
19 energy credits within that block, and the terms and
20 conditions for securing a spot on a waitlist once the
21 block is fully committed or reserved. Except as outlined
22 below, the waitlist of projects in a given year will carry
23 over to apply to the subsequent year when another block is
24 opened. Only projects energized on or after June 1, 2017
25 shall be eligible for the Adjustable Block program. For
26 each category for each delivery year the Agency shall

1 determine the amount of generation capacity in each block,
2 and the purchase price for each block, provided that the
3 purchase price provided and the total amount of generation
4 in all blocks for all categories shall be sufficient to
5 meet the goals in this subsection (c). The Agency shall
6 strive to issue a single block sized to provide for
7 stability and market growth. The Agency shall establish
8 program eligibility requirements that ensure that projects
9 that enter the program are sufficiently mature to indicate
10 a demonstrable path to completion. The Agency may
11 periodically review its prior decisions establishing the
12 amount of generation capacity in each block, and the
13 purchase price for each block, and may propose, on an
14 expedited basis, changes to these previously set values,
15 including but not limited to redistributing these amounts
16 and the available funds as necessary and appropriate,
17 subject to Commission approval as part of the periodic
18 plan revision process described in Section 16-111.5 of the
19 Public Utilities Act. The Agency may define different
20 block sizes, purchase prices, or other distinct terms and
21 conditions for projects located in different utility
22 service territories if the Agency deems it necessary to
23 meet the goals in this subsection (c).

24 The Adjustable Block program shall include the
25 following categories in at least the following amounts:

26 (i) At least 20% from distributed renewable energy

1 generation devices with a nameplate capacity of no
2 more than 25 kilowatts.

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

11 (iii) At least 30% from photovoltaic community
12 renewable generation projects. Capacity for this
13 category for the first 2 delivery years after the
14 effective date of this amendatory Act of the 102nd
15 General Assembly shall be allocated to waitlist
16 projects as provided in paragraph (3) of item (iv) of
17 subparagraph (G). Starting in the third delivery year
18 after the effective date of this amendatory Act of the
19 102nd General Assembly or earlier if the Agency
20 determines there is additional capacity needed for to
21 meet previous delivery year requirements, the
22 following shall apply:

23 (1) the Agency shall select projects on a
24 first-come, first-serve basis, however the Agency
25 may suggest additional methods to prioritize
26 projects that are submitted at the same time;

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

5 (3) projects shall not be colocated with one
6 or more other community renewable generation
7 projects, as defined in the Agency's first revised
8 long-term renewable resources procurement plan
9 approved by the Commission on February 18, 2020,
10 such that the aggregate nameplate capacity exceeds
11 5,000 kilowatts; and

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

17 (iv) At least 15% from distributed renewable
18 generation devices or photovoltaic community renewable
19 generation projects installed at public schools. The
20 Agency may create subcategories within this category
21 to account for the differences between project size or
22 location. Projects located within environmental
23 justice communities or within Organizational Units
24 that fall within Tier 1 or Tier 2 shall be given
25 priority. Each of the Agency's periodic updates to its
26 long-term renewable resources procurement plan to

1 incorporate the procurement described in this
2 subparagraph (iv) shall also include the proposed
3 quantities or blocks, pricing, and contract terms
4 applicable to the procurement as indicated herein. In
5 each such update and procurement, the Agency shall set
6 the renewable energy credit price and establish
7 payment terms for the renewable energy credits
8 procured pursuant to this subparagraph (iv) that make
9 it feasible and affordable for public schools to
10 install photovoltaic distributed renewable energy
11 devices on their premises, including, but not limited
12 to, those public schools subject to the prioritization
13 provisions of this subparagraph. For the purposes of
14 this item (iv):

15 "Environmental Justice Community" shall have the
16 same meaning set forth in the Agency's long-term
17 renewable resources procurement plan;

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

21 "Public schools" shall have the meaning set forth
22 in Section 1-3 of the School Code.

23 (v) At least 5% from community-driven community
24 solar projects intended to provide more direct and
25 tangible connection and benefits to the communities
26 which they serve or in which they operate and,

1 additionally, to increase the variety of community
2 solar locations, models, and options in Illinois. As
3 part of its long-term renewable resources procurement
4 plan, the Agency shall develop selection criteria for
5 projects participating in this category. Nothing in
6 this Section shall preclude the Agency from creating a
7 selection process that maximizes community ownership
8 and community benefits in selecting projects to
9 receive renewable energy credits. Selection criteria
10 shall include:

11 (1) community ownership or community
12 wealth-building;

13 (2) additional direct and indirect community
14 benefit, beyond project participation as a
15 subscriber, including, but not limited to,
16 economic, environmental, social, cultural, and
17 physical benefits;

18 (3) meaningful involvement in project
19 organization and development by community members
20 or nonprofit organizations or public entities
21 located in or serving the community;

22 (4) engagement in project operations and
23 management by nonprofit organizations, public
24 entities, or community members; and

25 (5) whether a project is developed in response
26 to a site-specific RFP developed by community

1 members or a nonprofit organization or public
2 entity located in or serving the community.

3 Selection criteria may also prioritize projects
4 that:

5 (1) are developed in collaboration with or to
6 provide complementary opportunities for the Clean
7 Jobs Workforce Network Program, the Illinois
8 Climate Works Preapprenticeship Program, the
9 Returning Residents Clean Jobs Training Program,
10 the Clean Energy Contractor Incubator Program, or
11 the Clean Energy Primes Contractor Accelerator
12 Program;

13 (2) increase the diversity of locations of
14 community solar projects in Illinois, including by
15 locating in urban areas and population centers;

16 (3) are located in Equity Investment Eligible
17 Communities;

18 (4) are not greenfield projects;

19 (5) serve only local subscribers;

20 (6) have a nameplate capacity that does not
21 exceed 500 kW;

22 (7) are developed by an equity eligible
23 contractor; or

24 (8) otherwise meaningfully advance the goals
25 of providing more direct and tangible connection
26 and benefits to the communities which they serve

1 or in which they operate and increasing the
2 variety of community solar locations, models, and
3 options in Illinois.

4 For the purposes of this item (v):

5 "Community" means a social unit in which people
6 come together regularly to effect change; a social
7 unit in which participants are marked by a cooperative
8 spirit, a common purpose, or shared interests or
9 characteristics; or a space understood by its
10 residents to be delineated through geographic
11 boundaries or landmarks.

12 "Community benefit" means a range of services and
13 activities that provide affirmative, economic,
14 environmental, social, cultural, or physical value to
15 a community; or a mechanism that enables economic
16 development, high-quality employment, and education
17 opportunities for local workers and residents, or
18 formal monitoring and oversight structures such that
19 community members may ensure that those services and
20 activities respond to local knowledge and needs.

21 "Community ownership" means an arrangement in
22 which an electric generating facility is, or over time
23 will be, in significant part, owned collectively by
24 members of the community to which an electric
25 generating facility provides benefits; members of that
26 community participate in decisions regarding the

1 governance, operation, maintenance, and upgrades of
2 and to that facility; and members of that community
3 benefit from regular use of that facility.

4 Terms and guidance within these criteria that are
5 not defined in this item (v) shall be defined by the
6 Agency, with stakeholder input, during the development
7 of the Agency's long-term renewable resources
8 procurement plan. The Agency shall develop regular
9 opportunities for projects to submit applications for
10 projects under this category, and develop selection
11 criteria that gives preference to projects that better
12 meet individual criteria as well as projects that
13 address a higher number of criteria.

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

1 The Agency shall propose a payment structure for
2 contracts executed pursuant to this paragraph under
3 which, upon a demonstration of qualification or need,
4 applicant firms are advanced capital disbursed after
5 contract execution but before the contracted project's
6 energization. The amount or percentage of capital
7 advanced prior to project energization shall be
8 sufficient to both cover any increase in development
9 costs resulting from prevailing wage requirements or
10 project-labor agreements, and designed to overcome
11 barriers in access to capital faced by equity eligible
12 contractors. The amount or percentage of advanced
13 capital may vary by subcategory within this category
14 and by an applicant's demonstration of need, with such
15 levels to be established through the Long-Term
16 Renewable Resources Procurement Plan authorized under
17 subparagraph (A) of paragraph (1) of subsection (c) of
18 this Section.

19 Contracts developed featuring capital advanced
20 prior to a project's energization shall feature
21 provisions to ensure both the successful development
22 of applicant projects and the delivery of the
23 renewable energy credits for the full term of the
24 contract, including ongoing collateral requirements
25 and other provisions deemed necessary by the Agency,
26 and may include energization timelines longer than for

1 comparable project types. The percentage or amount of
2 capital advanced prior to project energization shall
3 not operate to increase the overall contract value,
4 however contracts executed under this subparagraph may
5 feature renewable energy credit prices higher than
6 those offered to similar projects participating in
7 other categories. Capital advanced prior to
8 energization shall serve to reduce the ratable
9 payments made after energization under items (ii) and
10 (iii) of subparagraph (L) or payments made for each
11 renewable energy credit delivery under item (iv) of
12 subparagraph (L).

13 (vii) The remaining capacity shall be allocated by
14 the Agency in order to respond to market demand. The
15 Agency shall allocate any discretionary capacity prior
16 to the beginning of each delivery year.

17 To the extent there is uncontracted capacity from any
18 block in any of categories (i) through (vi) at the end of a
19 delivery year, the Agency shall redistribute that capacity
20 to one or more other categories giving priority to
21 categories with projects on a waitlist. The redistributed
22 capacity shall be added to the annual capacity in the
23 subsequent delivery year, and the price for renewable
24 energy credits shall be the price for the new delivery
25 year. Redistributed capacity shall not be considered
26 redistributed when determining whether the goals in this

1 subsection (K) have been met.

2 Notwithstanding anything to the contrary, as the
3 Agency increases the capacity in item (vi) to 40% over
4 time, the Agency may reduce the capacity of items (i)
5 through (v) proportionate to the capacity of the
6 categories of projects in item (vi), to achieve a balance
7 of project types.

8 The Adjustable Block program shall be designed to
9 ensure that renewable energy credits are procured from
10 projects in diverse locations and are not concentrated in
11 a few regional areas.

12 (L) Notwithstanding provisions for advancing capital
13 prior to project energization found in item (vi) of
14 subparagraph (K), the procurement of photovoltaic
15 renewable energy credits under items (i) through (vi) of
16 subparagraph (K) of this paragraph (1) shall otherwise be
17 subject to the following contract and payment terms:

18 (i) (Blank).

19 (ii) For those renewable energy credits that
20 qualify and are procured under item (i) of
21 subparagraph (K) of this paragraph (1), and any
22 similar category projects that are procured under item
23 (vi) of subparagraph (K) of this paragraph (1) that
24 qualify and are procured under item (vi), the contract
25 length shall be 15 years. The renewable energy credit
26 delivery contract value shall be paid in full, based

1 on the estimated generation during the first 15 years
2 of operation, by the contracting utilities at the time
3 that the facility producing the renewable energy
4 credits is interconnected at the distribution system
5 level of the utility and verified as energized and
6 compliant by the Program Administrator. The electric
7 utility shall receive and retire all renewable energy
8 credits generated by the project for the first 15
9 years of operation. Renewable energy credits generated
10 by the project thereafter shall not be transferred
11 under the renewable energy credit delivery contract
12 with the counterparty electric utility.

13 (iii) For those renewable energy credits that
14 qualify and are procured under item (ii) and (v) of
15 subparagraph (K) of this paragraph (1) and any like
16 projects similar category that qualify and are
17 procured under item (vi), the contract length shall be
18 15 years. 15% of the renewable energy credit delivery
19 contract value, based on the estimated generation
20 during the first 15 years of operation, shall be paid
21 by the contracting utilities at the time that the
22 facility producing the renewable energy credits is
23 interconnected at the distribution system level of the
24 utility and verified as energized and compliant by the
25 Program Administrator. The remaining portion shall be
26 paid ratably over the subsequent 6-year period. The

1 electric utility shall receive and retire all
2 renewable energy credits generated by the project for
3 the first 15 years of operation. Renewable energy
4 credits generated by the project thereafter shall not
5 be transferred under the renewable energy credit
6 delivery contract with the counterparty electric
7 utility.

8 (iv) For those renewable energy credits that
9 qualify and are procured under items (iii) and (iv) of
10 subparagraph (K) of this paragraph (1), and any like
11 projects that qualify and are procured under item
12 (vi), the renewable energy credit delivery contract
13 length shall be 20 years and shall be paid over the
14 delivery term, not to exceed during each delivery year
15 the contract price multiplied by the estimated annual
16 renewable energy credit generation amount. If
17 generation of renewable energy credits during a
18 delivery year exceeds the estimated annual generation
19 amount, the excess renewable energy credits shall be
20 carried forward to future delivery years and shall not
21 expire during the delivery term. If generation of
22 renewable energy credits during a delivery year,
23 including carried forward excess renewable energy
24 credits, if any, is less than the estimated annual
25 generation amount, payments during such delivery year
26 will not exceed the quantity generated plus the

1 quantity carried forward multiplied by the contract
2 price. The electric utility shall receive all
3 renewable energy credits generated by the project
4 during the first 20 years of operation and retire all
5 renewable energy credits paid for under this item (iv)
6 and return at the end of the delivery term all
7 renewable energy credits that were not paid for.
8 Renewable energy credits generated by the project
9 thereafter shall not be transferred under the
10 renewable energy credit delivery contract with the
11 counterparty electric utility. Notwithstanding the
12 preceding, for those projects participating under item
13 (iii) of subparagraph (K), the contract price for a
14 delivery year shall be based on subscription levels as
15 measured on the higher of the first business day of the
16 delivery year or the first business day 6 months after
17 the first business day of the delivery year.
18 Subscription of 90% of nameplate capacity or greater
19 shall be deemed to be fully subscribed for the
20 purposes of this item (iv). For projects receiving a
21 20-year delivery contract, REC prices shall be
22 adjusted downward for consistency with the incentive
23 levels previously determined to be necessary to
24 support projects under 15-year delivery contracts,
25 taking into consideration any additional new
26 requirements placed on the projects, including, but

1 not limited to, labor standards.

2 (v) Each contract shall include provisions to
3 ensure the delivery of the estimated quantity of
4 renewable energy credits and ongoing collateral
5 requirements and other provisions deemed appropriate
6 by the Agency.

7 (vi) The utility shall be the counterparty to the
8 contracts executed under this subparagraph (L) that
9 are approved by the Commission under the process
10 described in Section 16-111.5 of the Public Utilities
11 Act. No contract shall be executed for an amount that
12 is less than one renewable energy credit per year.

13 (vii) If, at any time, approved applications for
14 the Adjustable Block program exceed funds collected by
15 the electric utility or would cause the Agency to
16 exceed the limitation described in subparagraph (E) of
17 this paragraph (1) on the amount of renewable energy
18 resources that may be procured, then the Agency may
19 consider future uncommitted funds to be reserved for
20 these contracts on a first-come, first-served basis.

21 (viii) Nothing in this Section shall require the
22 utility to advance any payment or pay any amounts that
23 exceed the actual amount of revenues anticipated to be
24 collected by the utility under paragraph (6) of this
25 subsection (c) and subsection (k) of Section 16-108 of
26 the Public Utilities Act inclusive of eligible funds

1 collected in prior years and alternative compliance
2 payments for use by the utility, and contracts
3 executed under this Section shall expressly
4 incorporate this limitation.

5 (ix) Notwithstanding other requirements of this
6 subparagraph (L), no modification shall be required to
7 Adjustable Block program contracts if they were
8 already executed prior to the establishment, approval,
9 and implementation of new contract forms as a result
10 of this amendatory Act of the 102nd General Assembly.

11 (x) Contracts may be assignable, but only to
12 entities first deemed by the Agency to have met
13 program terms and requirements applicable to direct
14 program participation. In developing contracts for the
15 delivery of renewable energy credits, the Agency shall
16 be permitted to establish fees applicable to each
17 contract assignment.

18 (M) The Agency shall be authorized to retain one or
19 more experts or expert consulting firms to develop,
20 administer, implement, operate, and evaluate the
21 Adjustable Block program described in subparagraph (K) of
22 this paragraph (1), and the Agency shall retain the
23 consultant or consultants in the same manner, to the
24 extent practicable, as the Agency retains others to
25 administer provisions of this Act, including, but not
26 limited to, the procurement administrator. The selection

1 of experts and expert consulting firms and the procurement
2 process described in this subparagraph (M) are exempt from
3 the requirements of Section 20-10 of the Illinois
4 Procurement Code, under Section 20-10 of that Code. The
5 Agency shall strive to minimize administrative expenses in
6 the implementation of the Adjustable Block program.

7 The Program Administrator may charge application fees
8 to participating firms to cover the cost of program
9 administration. Any application fee amounts shall
10 initially be determined through the long-term renewable
11 resources procurement plan, and modifications to any
12 application fee that deviate more than 25% from the
13 Commission's approved value must be approved by the
14 Commission as a long-term plan revision under Section
15 16-111.5 of the Public Utilities Act. The Agency shall
16 consider stakeholder feedback when making adjustments to
17 application fees and shall notify stakeholders in advance
18 of any planned changes.

19 In addition to covering the costs of program
20 administration, the Agency, in conjunction with its
21 Program Administrator, may also use the proceeds of such
22 fees charged to participating firms to support public
23 education and ongoing regional and national coordination
24 with nonprofit organizations, public bodies, and others
25 engaged in the implementation of renewable energy
26 incentive programs or similar initiatives. This work may

1 include developing papers and reports, hosting regional
2 and national conferences, and other work deemed necessary
3 by the Agency to position the State of Illinois as a
4 national leader in renewable energy incentive program
5 development and administration.

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

25 The Agency and its program administrators for both the
26 Adjustable Block program and the Illinois Solar for All

1 Program, consistent with the requirements of this
2 subsection (c) and subsection (b) of Section 1-56 of this
3 Act, shall propose the Adjustable Block program terms,
4 conditions, and requirements, including the prices to be
5 paid for renewable energy credits, where applicable, and
6 requirements applicable to participating entities and
7 project applications, through the development, review, and
8 approval of the Agency's long-term renewable resources
9 procurement plan described in this subsection (c) and
10 paragraph (5) of subsection (b) of Section 16-111.5 of the
11 Public Utilities Act. Terms, conditions, and requirements
12 for program participation shall include the following:

13 (i) The Agency shall establish a registration
14 process for entities seeking to qualify for
15 program-administered incentive funding and establish
16 baseline qualifications for vendor approval. The
17 Agency must maintain a list of approved entities on
18 each program's website, and may revoke a vendor's
19 ability to receive program-administered incentive
20 funding status upon a determination that the vendor
21 failed to comply with contract terms, the law, or
22 other program requirements.

23 (ii) The Agency shall establish program
24 requirements and minimum contract terms to ensure
25 projects are properly installed and produce their
26 expected amounts of energy. Program requirements may

1 include on-site inspections and photo documentation of
2 projects under construction. The Agency may require
3 repairs, alterations, or additions to remedy any
4 material deficiencies discovered. Vendors who have a
5 disproportionately high number of deficient systems
6 may lose their eligibility to continue to receive
7 State-administered incentive funding through Agency
8 programs and procurements.

9 (iii) To discourage deceptive marketing or other
10 bad faith business practices, the Agency may require
11 direct program participants, including agents
12 operating on their behalf, to provide standardized
13 disclosures to a customer prior to that customer's
14 execution of a contract for the development of a
15 distributed generation system or a subscription to a
16 community solar project.

17 (iv) The Agency shall establish one or multiple
18 Consumer Complaints Centers to accept complaints
19 regarding businesses that participate in, or otherwise
20 benefit from, State-administered incentive funding
21 through Agency-administered programs. The Agency shall
22 maintain a public database of complaints with any
23 confidential or particularly sensitive information
24 redacted from public entries.

25 (v) Through a filing in the proceeding for the
26 approval of its long-term renewable energy resources

1 procurement plan, the Agency shall provide an annual
2 written report to the Illinois Commerce Commission
3 documenting the frequency and nature of complaints and
4 any enforcement actions taken in response to those
5 complaints.

6 (vi) The Agency shall schedule regular meetings
7 with representatives of the Office of the Attorney
8 General, the Illinois Commerce Commission, consumer
9 protection groups, and other interested stakeholders
10 to share relevant information about consumer
11 protection, project compliance, and complaints
12 received.

13 (vii) To the extent that complaints received
14 implicate the jurisdiction of the Office of the
15 Attorney General, the Illinois Commerce Commission, or
16 local, State, or federal law enforcement, the Agency
17 shall also refer complaints to those entities as
18 appropriate.

19 (N) The Agency shall establish the terms, conditions,
20 and program requirements for photovoltaic community
21 renewable generation projects with a goal to expand access
22 to a broader group of energy consumers, to ensure robust
23 participation opportunities for residential and small
24 commercial customers and those who cannot install
25 renewable energy on their own properties. Subject to
26 reasonable limitations, 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 per delivery year to fund the programs, and
25 the plan shall determine the amount of funding to be
26 apportioned to the programs identified in subsection (b)

1 of Section 1-56 of this Act; provided that for the
2 delivery years beginning June 1, 2021, June 1, 2022, and
3 June 1, 2023, the long-term renewable resources
4 procurement plan may average the annual budgets over a
5 3-year period to account for program ramp-up. For the
6 delivery years beginning June 1, 2021, June 1, 2024, June
7 1, 2027, and June 1, 2030 and additional \$10,000,000 shall
8 be provided to the Department of Commerce and Economic
9 Opportunity to implement the workforce development
10 programs and reporting as outlined in Section 16-108.12 of
11 the Public Utilities Act. In making the determinations
12 required under this subparagraph (O), the Commission shall
13 consider the experience and performance under the programs
14 and any evaluation reports. The Commission shall also
15 provide for an independent evaluation of those programs on
16 a periodic basis that are funded under this subparagraph
17 (O).

18 (P) All programs and procurements under this
19 subsection (c) shall be designed to encourage
20 participating projects to use a diverse and equitable
21 workforce and a diverse set of contractors, including
22 minority-owned businesses, disadvantaged businesses,
23 trade unions, graduates of any workforce training programs
24 administered under this Act, and small businesses.

25 The Agency shall develop a method to optimize
26 procurement of renewable energy credits from proposed

1 utility-scale projects that are located in communities
2 eligible to receive Energy Transition Community Grants
3 pursuant to Section 10-20 of the Energy Community
4 Reinvestment Act. If this requirement conflicts with other
5 provisions of law or the Agency determines that full
6 compliance with the requirements of this subparagraph (P)
7 would be unreasonably costly or administratively
8 impractical, the Agency is to propose alternative
9 approaches to achieve development of renewable energy
10 resources in communities eligible to receive Energy
11 Transition Community Grants pursuant to Section 10-20 of
12 the Energy Community Reinvestment Act or seek an exemption
13 from this requirement from the Commission.

14 (Q) Each facility listed in subitems (i) through
15 (viii) of item (1) of this subparagraph (Q) for which a
16 renewable energy credit delivery contract is signed after
17 the effective date of this amendatory Act of the 102nd
18 General Assembly is subject to the following requirements
19 through the Agency's long-term renewable resources
20 procurement plan:

21 (1) Each facility shall be subject to the
22 prevailing wage requirements included in the
23 Prevailing Wage Act. The Agency shall require
24 verification that all construction performed on the
25 facility by the renewable energy credit delivery
26 contract holder, its contractors, or its

1 subcontractors relating to construction of the
2 facility is performed by construction employees
3 receiving an amount for that work equal to or greater
4 than the general prevailing rate, as that term is
5 defined in Section 3 of the Prevailing Wage Act. For
6 purposes of this item (1), "house of worship" means
7 property that is both (1) used exclusively by a
8 religious society or body of persons as a place for
9 religious exercise or religious worship and (2)
10 recognized as exempt from taxation pursuant to Section
11 15-40 of the Property Tax Code. This item (1) shall
12 apply to any the following:

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

14 (ii) all new utility-scale photovoltaic
15 projects;

16 (iii) all new brownfield photovoltaic
17 projects;

18 (iv) all new photovoltaic community renewable
19 energy facilities that qualify for item (iii) of
20 subparagraph (K) of this paragraph (1);

21 (v) all new community driven community
22 photovoltaic projects that qualify for item (v) of
23 subparagraph (K) of this paragraph (1);

24 (vi) all new photovoltaic distributed
25 renewable energy generation devices on schools
26 that qualify for item (iv) of subparagraph (K) of

1 this paragraph (1);

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

10 (viii) all new photovoltaic distributed
11 renewable energy generation devices that (1)
12 qualify for item (ii) of subparagraph (K) of this
13 paragraph (1); (2) are not projects that serve
14 single-family or multi-family residential
15 buildings; and (3) are not houses of worship where
16 the aggregate capacity including collocated
17 projects would not exceed 100 kilowatts.

18 (2) Renewable energy credits procured from new
19 utility-scale wind projects, new utility-scale solar
20 projects, and new brownfield solar projects pursuant
21 to Agency procurement events occurring after the
22 effective date of this amendatory Act of the 102nd
23 General Assembly must be from facilities built by
24 general contractors that must enter into a project
25 labor agreement, as defined by this Act, prior to
26 construction. The project labor agreement shall be

1 filed with the Director in accordance with procedures
2 established by the Agency through its long-term
3 renewable resources procurement plan. Any information
4 submitted to the Agency in this item (2) shall be
5 considered commercially sensitive information. At a
6 minimum, the project labor agreement must provide the
7 names, addresses, and occupations of the owner of the
8 plant and the individuals representing the labor
9 organization employees participating in the project
10 labor agreement consistent with the Project Labor
11 Agreements Act. The agreement must also specify the
12 terms and conditions as defined by this Act.

13 (3) It is the intent of this Section to ensure that
14 economic development occurs across Illinois
15 communities, that emerging businesses may grow, and
16 that there is improved access to the clean energy
17 economy by persons who have greater economic burdens
18 to success. The Agency shall take into consideration
19 the unique cost of compliance of this subparagraph (Q)
20 that might be borne by equity eligible contractors,
21 shall include such costs when determining the price of
22 renewable energy credits in the Adjustable Block
23 program, and shall take such costs into consideration
24 in a nondiscriminatory manner when comparing bids for
25 competitive procurements. The Agency shall consider
26 costs associated with compliance whether in the

1 development, financing, or construction of projects.
2 The Agency shall periodically review the assumptions
3 in these costs and may adjust prices, in compliance
4 with subparagraph (M) of this paragraph (1).

5 (R) In its long-term renewable resources procurement
6 plan, the Agency shall establish a self-direct renewable
7 portfolio standard compliance program for eligible
8 self-direct customers that purchase renewable energy
9 credits from utility-scale wind and solar projects through
10 long-term agreements for purchase of renewable energy
11 credits as described in this Section. Such long-term
12 agreements may include the purchase of energy or other
13 products on a physical or financial basis and may involve
14 an alternative retail electric supplier as defined in
15 Section 16-102 of the Public Utilities Act. This program
16 shall take effect in the delivery year commencing June 1,
17 2023.

18 (1) For the purposes of this subparagraph:

19 "Eligible self-direct customer" means any retail
20 customers of an electric utility that serves 3,000,000
21 or more retail customers in the State and whose total
22 highest 30-minute demand was more than 10,000
23 kilowatts, or any retail customers of an electric
24 utility that serves less than 3,000,000 retail
25 customers but more than 500,000 retail customers in
26 the State and whose total highest 15-minute demand was

1 more than 10,000 kilowatts.

2 "Retail customer" has the meaning set forth in
3 Section 16-102 of the Public Utilities Act and
4 multiple retail customer accounts under the same
5 corporate parent may aggregate their account demands
6 to meet the 10,000 kilowatt threshold. The criteria
7 for determining whether this subparagraph is
8 applicable to a retail customer shall be based on the
9 12 consecutive billing periods prior to the start of
10 the year in which the application is filed.

11 (2) For renewable energy credits to count toward
12 the self-direct renewable portfolio standard
13 compliance program, they must:

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

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

1 (iii) be procured through long-term contracts
2 with term lengths of at least 10 years either
3 directly with the renewable energy generating
4 facility or through a bundled power purchase
5 agreement, a virtual power purchase agreement, an
6 agreement between the renewable generating
7 facility, an alternative retail electric supplier,
8 and the customer, or such other structure as is
9 permissible under this subparagraph (R);

10 (iv) be equivalent in volume to at least 40%
11 of the eligible self-direct customer's usage,
12 determined annually by the eligible self-direct
13 customer's usage during the previous delivery
14 year, measured to the nearest megawatt-hour;

15 (v) be retired by or on behalf of the large
16 energy customer;

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

19 (vii) if the contracts for renewable energy
20 credits are entered into after the effective date
21 of this amendatory Act of the 102nd General
22 Assembly, the new utility-scale wind projects or
23 new utility-scale solar projects must comply with
24 the requirements established in subparagraphs (P)
25 and (Q) of paragraph (1) of this subsection (c)
26 and subsection (c-10).

1 (3) The self-direct renewable portfolio standard
2 compliance program shall be designed to allow eligible
3 self-direct customers to procure new renewable energy
4 credits from new utility-scale wind projects or new
5 utility-scale photovoltaic projects. The Agency shall
6 annually determine the amount of utility-scale
7 renewable energy credits it will include each year
8 from the self-direct renewable portfolio standard
9 compliance program, subject to receiving qualifying
10 applications. In making this determination, the Agency
11 shall evaluate publicly available analyses and studies
12 of the potential market size for utility-scale
13 renewable energy long-term purchase agreements by
14 commercial and industrial energy customers and make
15 that report publicly available. If demand for
16 participation in the self-direct renewable portfolio
17 standard compliance program exceeds availability, the
18 Agency shall ensure participation is evenly split
19 between commercial and industrial users to the extent
20 there is sufficient demand from both customer classes.
21 Each renewable energy credit procured pursuant to this
22 subparagraph (R) by a self-direct customer shall
23 reduce the total volume of renewable energy credits
24 the Agency is otherwise required to procure from new
25 utility-scale projects pursuant to subparagraph (C) of
26 paragraph (1) of this subsection (c) on behalf of

1 contracting utilities where the eligible self-direct
2 customer is located. The self-direct customer shall
3 file an annual compliance report with the Agency
4 pursuant to terms established by the Agency through
5 its long-term renewable resources procurement plan to
6 be eligible for participation in this program.
7 Customers must provide the Agency with their most
8 recent electricity billing statements or other
9 information deemed necessary by the Agency to
10 demonstrate they are an eligible self-direct customer.

11 (4) The Commission shall approve a reduction in
12 the volumetric charges collected pursuant to Section
13 16-108 of the Public Utilities Act for approved
14 eligible self-direct customers equivalent to the
15 anticipated cost of renewable energy credit deliveries
16 under contracts for ~~new~~ utility-scale wind and ~~new~~
17 utility-scale solar entered for each delivery year
18 ~~after~~ the large energy customer retires ~~begins~~
19 ~~retiring~~ eligible new utility scale renewable energy
20 credits ~~for self-compliance~~. The self-direct credit
21 amount for each renewable energy credit supplied shall
22 be determined annually and is equal to the lower of the
23 volumetric charge collected pursuant to Section 16-108
24 of the Public Utilities Act as calculated under
25 subparagraph (E) of paragraph (1) of subsection (c) of
26 this Section to support the renewable portfolio or the

1 average price paid per renewable energy credit divided
2 by 1,000, for all utility-scale renewable energy
3 credits procured by the Agency pursuant to this
4 Section after June 1, 2017, including indexed
5 renewable energy credits, ~~the estimated portion of the~~
6 ~~cost authorized by subparagraph (E) of paragraph (1)~~
7 ~~of this subsection (c) that supported the annual~~
8 ~~procurement of utility scale renewable energy credits~~
9 ~~in the prior delivery year using a methodology~~
10 ~~described in the long term renewable resources~~
11 ~~procurement plan, expressed on a per kilowatthour~~
12 ~~basis, and does not include (i) costs associated with~~
13 ~~any contracts entered into before the delivery year in~~
14 ~~which the customer files the initial compliance report~~
15 ~~to be eligible for participation in the self direct~~
16 ~~program, and (ii) costs associated with procuring~~
17 renewable energy credits through existing and future
18 contracts through the Adjustable Block Program,
19 subsection (c-5) of this Section 1-75, and the Solar
20 for All Program. The Agency shall assist the
21 Commission in determining the current and future
22 costs. The Agency must determine the self-direct
23 credit amount for new and existing eligible
24 self-direct customers and submit this to the
25 Commission in an annual compliance filing. The
26 Commission must approve the self-direct credit amount

1 by June 1, 2023 and June 1 of each delivery year
2 thereafter. The approved self-direct credit amount
3 shall be multiplied by each renewable energy credit
4 procured by participating self-direct customers to
5 form the customer's utility bill credit amount.

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

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

23 (ii) the customer's certification that the
24 customer has entered into or will enter into by
25 the beginning of the applicable procurement year,
26 one or more bilateral contracts for new wind

1 projects or new photovoltaic projects, including
2 supporting documentation;

3 (iii) certification that the contract or
4 contracts for new renewable energy resources are
5 long-term contracts with term lengths of at least
6 10 years, including supporting documentation;

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

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

16 (vi) certification that the customer intends
17 to maintain the contract for the duration of the
18 length of the contract.

19 (6) If a customer receives the self-direct credit
20 but fails to properly procure and retire renewable
21 energy credits as required under this subparagraph
22 (R), the Commission, on petition from the Agency and
23 after notice and hearing, may direct such customer's
24 utility to recover the cost of the wrongfully received
25 self-direct credits plus interest through an adder to
26 charges assessed pursuant to Section 16-108 of the

1 Public Utilities Act. Self-direct customers who
2 knowingly fail to properly procure and retire
3 renewable energy credits and do not notify the Agency
4 are ineligible for continued participation in the
5 self-direct renewable portfolio standard compliance
6 program.

7 (2) (Blank).

8 (3) (Blank).

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

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

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

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

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

1 thereunder.

2 In meeting the renewable energy requirements of this
3 subsection (c), to the extent feasible and consistent with
4 State and federal law, the renewable energy credit
5 procurements, Adjustable Block solar program, and
6 community renewable generation program shall provide
7 employment opportunities for all segments of the
8 population and workforce, including minority-owned and
9 female-owned business enterprises, and shall not,
10 consistent with State and federal law, discriminate based
11 on race or socioeconomic status.

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

16 (1) In addition to the procurement of renewable energy
17 credits pursuant to long-term renewable resources
18 procurement plans in accordance with subsection (c) of
19 this Section and Section 16-111.5 of the Public Utilities
20 Act, the Agency shall conduct procurement events in
21 accordance with this subsection (c-5) for the procurement
22 by electric utilities that served more than 300,000 retail
23 customers in this State as of January 1, 2019 of renewable
24 energy credits from new renewable energy facilities to be
25 installed at or adjacent to the sites of electric
26 generating facilities that, as of January 1, 2016, burned

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

24 (2) The Agency shall conduct 2 procurement events to
25 select owners of electric generating facilities meeting
26 the eligibility criteria specified in this subsection

1 (c-5) to enter into long-term contracts to sell renewable
2 energy credits to electric utilities serving more than
3 300,000 retail customers in this State as of January 1,
4 2019. The first procurement event shall be conducted no
5 later than March 31, 2022, unless the Agency elects to
6 delay it, until no later than May 1, 2022, due to its
7 overall volume of work, and shall be to select owners of
8 electric generating facilities located in this State and
9 south of federal Interstate Highway 80 that meet the
10 eligibility criteria specified in this subsection (c-5).
11 The second procurement event shall be conducted no sooner
12 than September 30, 2022 and no later than October 31, 2022
13 and shall be to select owners of electric generating
14 facilities located anywhere in this State that meet the
15 eligibility criteria specified in this subsection (c-5).
16 The Agency shall establish and announce a time period,
17 which shall begin no later than 30 days prior to the
18 scheduled date for the procurement event, during which
19 applicants may submit applications to be selected as
20 suppliers of renewable energy credits pursuant to this
21 subsection (c-5). The eligibility criteria for selection
22 as a supplier of renewable energy credits pursuant to this
23 subsection (c-5) shall be as follows:

24 (A) The applicant owns an electric generating
25 facility located in this State that: (i) as of January
26 1, 2016, burned coal as its primary fuel to generate

1 electricity; and (ii) has, or had prior to retirement,
2 an electric generating capacity of at least 150
3 megawatts. The electric generating facility can be
4 either: (i) retired as of the date of the procurement
5 event; or (ii) still operating as of the date of the
6 procurement event.

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

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

1 most 10 megawatts. If participating in the second
2 procurement event, the applicant proposes and commits
3 to construct and operate, at the site, and if
4 necessary for sufficient space on property adjacent to
5 the existing property, at which the electric
6 generating facility identified in paragraph (A) is
7 located: (i) a new renewable energy facility of at
8 least 5 megawatts but no more than 20 megawatts of
9 electric generating capacity, and (ii) an energy
10 storage facility having a storage capacity equal to at
11 least 0.5 megawatts and at most one megawatt.

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

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

1 courses and opportunities offered by the owner to
2 employees of the coal-fueled electric generating
3 facility or by previous employment experience
4 performing the employee's particular work skill or
5 function.

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

19 (G) The applicant commits that if selected, it
20 will negotiate a project labor agreement for the
21 construction of the new renewable energy facility and
22 associated energy storage facility that includes
23 provisions requiring the parties to the agreement to
24 work together to establish diversity threshold
25 requirements and to ensure best efforts to meet
26 diversity targets, improve diversity at the applicable

1 job site, create diverse apprenticeship opportunities,
2 and create opportunities to employ former coal-fired
3 power plant workers.

4 (H) The applicant commits to enter into a contract
5 or contracts for the applicable duration to provide
6 specified numbers of renewable energy credits each
7 year from the new renewable energy facility to
8 electric utilities that served more than 300,000
9 retail customers in this State as of January 1, 2019,
10 at a price of \$30 per renewable energy credit. The
11 price per renewable energy credit shall be fixed at
12 \$30 for the applicable duration and the renewable
13 energy credits shall not be indexed renewable energy
14 credits as provided for in item (v) of subparagraph
15 (G) of paragraph (1) of subsection (c) of Section 1-75
16 of this Act. The applicable duration of each contract
17 shall be 20 years, unless the applicant is physically
18 interconnected to the PJM Interconnection, LLC
19 transmission grid and had a generating capacity of at
20 least 1,200 megawatts as of January 1, 2021, in which
21 case the applicable duration of the contract shall be
22 15 years.

23 (I) The applicant's application is certified by an
24 officer of the applicant and by an officer of the
25 applicant's ultimate parent company, if any.

26 (3) An applicant may submit applications to contract

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

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

19 (5) The Agency shall select the applicants and the new
20 renewable energy facilities to contract with electric
21 utilities to supply renewable energy credits in accordance
22 with this subsection (c-5). In the first procurement
23 event, the Agency shall select applicants and new
24 renewable energy facilities to supply renewable energy
25 credits, at a price of \$30 per renewable energy credit,
26 aggregating to no less than 400,000 renewable energy

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

19 (6) The obligation to purchase renewable energy
20 credits from the applicants and their new renewable energy
21 facilities selected by the Agency shall be allocated to
22 the electric utilities based on their respective
23 percentages of kilowatthours delivered to delivery
24 services customers to the aggregate kilowatthour
25 deliveries by the electric utilities to delivery services
26 customers for the year ended December 31, 2021. In order

1 to achieve these allocation percentages between or among
2 the electric utilities, the Agency shall require each
3 applicant that is selected in the procurement event to
4 enter into a contract with each electric utility for the
5 sale and purchase of renewable energy credits from each
6 new renewable energy facility to be constructed and
7 operated by the applicant, with the sale and purchase
8 obligations under the contracts to aggregate to the total
9 number of renewable energy credits per year to be supplied
10 by the applicant from the new renewable energy facility.

11 (7) The Agency shall submit its proposed selection of
12 applicants, new renewable energy facilities to be
13 constructed, and renewable energy credit amounts for each
14 procurement event to the Commission for approval. The
15 Commission shall, within 2 business days after receipt of
16 the Agency's proposed selections, approve the proposed
17 selections if it determines that the applicants and the
18 new renewable energy facilities to be constructed meet the
19 selection criteria set forth in this subsection (c-5) and
20 that the Agency seeks approval for contracts of applicable
21 durations aggregating to no more than the maximum amount
22 of renewable energy credits per year authorized by this
23 subsection (c-5) for the procurement event, at a price of
24 \$30 per renewable energy credit.

25 (8) The Agency, in conjunction with its procurement
26 administrator if one is retained, the electric utilities,

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

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

16 (9) Coal to Solar and Energy Storage Initiative
17 Charge.

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

1 2023. The tariff shall provide for the calculation and
2 setting of the electric utility's Coal to Solar and
3 Energy Storage Initiative Charge to collect revenues
4 estimated to be sufficient, in the aggregate, (i) to
5 enable the electric utility to pay for the renewable
6 energy credits it has contracted to purchase in the
7 delivery year beginning June 1, 2023 and each delivery
8 year thereafter from new renewable energy facilities
9 located at the sites of qualifying electric generating
10 facilities, and (ii) to fund the grant payments to be
11 made in each delivery year by the Department of
12 Commerce and Economic Opportunity, or any successor
13 department or agency, which shall be referred to in
14 this subsection (c-5) as the Department, pursuant to
15 paragraph (10) of this subsection (c-5). The electric
16 utility's tariff shall provide for the billing and
17 collection of the Coal to Solar and Energy Storage
18 Initiative Charge on each kilowatthour of electricity
19 delivered to its delivery services customers within
20 its service territory and shall provide for an annual
21 reconciliation of revenues collected with actual
22 costs, in accordance with subsection (i-5) of Section
23 16-108 of the Public Utilities Act.

24 (B) Each electric utility shall remit on a monthly
25 basis to the State Treasurer, for deposit in the Coal
26 to Solar and Energy Storage Initiative Fund provided

1 for in this subsection (c-5), the electric utility's
2 collections of the Coal to Solar and Energy Storage
3 Initiative Charge in the amount estimated to be needed
4 by the Department for grant payments pursuant to grant
5 contracts entered into by the Department pursuant to
6 paragraph (10) of this subsection (c-5).

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

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

23 (B) The Coal to Solar and Energy Storage
24 Initiative Fund shall not be subject to sweeps,
25 administrative charges, or chargebacks, including, but
26 not limited to, those authorized under Section 8h of

1 the State Finance Act, that would in any way result in
2 the transfer of those funds from the Coal to Solar and
3 Energy Storage Initiative Fund to any other fund of
4 this State or in having any such funds utilized for any
5 purpose other than the express purposes set forth in
6 this paragraph (10).

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

20 (1) the electric generating facility at the
21 site has, or had prior to retirement, an electric
22 generating capacity of at least 150 megawatts;

23 (2) the electric generating facility burns (or
24 burned prior to retirement) coal as its primary
25 source of fuel;

26 (3) if the electric generating facility is

1 retired, it was retired subsequent to January 1,
2 2016;

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

11 (5) the electric generating facility located
12 at the site was at one time owned, in whole or in
13 part, by a public utility as defined in Section
14 3-105 of the Public Utilities Act;

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

23 (7) the proposed energy storage facility at
24 the site will have energy storage capacity of at
25 least 37 megawatts;

26 (8) the owner commits to place the energy

1 storage facility into commercial operation on
2 either June 1, 2023, June 1, 2024, or June 1, 2025,
3 with such date subject to adjustment as needed due
4 to any delays in completing the grant contracting
5 process, in finalizing interconnection agreements
6 and in installing interconnection facilities, and
7 in obtaining necessary governmental permits and
8 approvals;

9 (9) the owner agrees that the new energy
10 storage facility will be constructed or installed
11 by a qualified entity or entities consistent with
12 the requirements of subsection (g) of Section
13 16-128A of the Public Utilities Act and any rules
14 adopted under that Section;

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

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

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

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

1 The Department shall accept applications for this
2 grant program until March 31, 2022 and shall announce
3 the award of grants no later than June 1, 2022. The
4 Department shall make the grant payments to a
5 recipient in equal annual amounts for 10 years
6 following the date the energy storage facility is
7 placed into commercial operation. The annual grant
8 payments to a qualifying energy storage facility shall
9 be \$110,000 per megawatt of energy storage capacity,
10 with total annual grant payments pursuant to this
11 subparagraph (C) for qualifying energy storage
12 facilities not to exceed \$28,050,000 in any year.

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

21 (E) All disbursements from the Coal to Solar and
22 Energy Storage Initiative Fund shall be made only upon
23 warrants of the Comptroller drawn upon the Treasurer
24 as custodian of the Fund upon vouchers signed by the
25 Director of the Department or by the person or persons
26 designated by the Director of the Department for that

1 purpose. The Comptroller is authorized to draw the
2 warrants upon vouchers so signed. The Treasurer shall
3 accept all written warrants so signed and shall be
4 released from liability for all payments made on those
5 warrants.

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

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

1 (B) For purposes of this paragraph (11), diversity
2 composition shall be based on the percentage, which
3 shall be a minimum of 25%, of eligible expenditures
4 for contract awards for materials and services (which
5 shall be defined in the plan) to business enterprises
6 owned by minority persons, women, or persons with
7 disabilities as defined in Section 2 of the Business
8 Enterprise for Minorities, Women, and Persons with
9 Disabilities Act, to LGBTQ business enterprises, to
10 veteran-owned business enterprises, and to business
11 enterprises located in environmental justice
12 communities. The diversity composition goals of the
13 plan may include eligible expenditures in areas for
14 vendor or supplier opportunities in addition to
15 development and construction of the project, and may
16 exclude from eligible expenditures materials and
17 services with limited market availability, limited
18 production and availability from suppliers in the
19 United States, such as solar panels and storage
20 batteries, and material and services that are subject
21 to critical energy infrastructure or cybersecurity
22 requirements or restrictions. The plan may provide
23 that the diversity composition goals may be met
24 through Tier 1 Direct or Tier 2 subcontracting
25 expenditures or a combination thereof for the project.

26 (C) The plan shall provide for, but not be limited

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

1 businesses located in environmental justice
2 communities, seeking to enter the renewable energy
3 industry.

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

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

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

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

1 average of 30% of the project workforce for each entity
2 participating in a procurement program is done by equity
3 eligible persons or equity eligible contractors by 2030.
4 The Agency shall propose a schedule of percentage
5 increases to the minimum equity standards in its draft
6 revised renewable energy resources procurement plan
7 submitted to the Commission for approval pursuant to
8 paragraph (5) of subsection (b) of Section 16-111.5 of the
9 Public Utilities Act. In determining these annual
10 increases, the Agency shall have the discretion to
11 establish different minimum equity standards for different
12 types of procurements and different regions of the State
13 if the Agency finds that doing so will further the
14 purposes of this subsection (c-10). The proposed schedule
15 of annual increases shall be revisited and updated on an
16 annual basis. Revisions shall be developed with
17 stakeholder input, including from equity eligible persons,
18 equity eligible contractors, clean energy industry
19 representatives, and community-based organizations that
20 work with such persons and contractors.

21 (A) At the start of each delivery year, the Agency
22 shall require a compliance plan from each entity
23 participating in a procurement program of subsection
24 (c) of this Section that demonstrates how they will
25 achieve compliance with the minimum equity standard
26 percentage for work completed in that delivery year.

1 If an entity applies for its approved vendor or
2 designee status between delivery years, the Agency
3 shall require a compliance plan at the time of
4 application.

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

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

17 (D) The Agency shall prohibit participation in
18 procurement programs by an approved vendor or
19 designee, as applicable, or entities with which an
20 approved vendor or designee, as applicable, shares a
21 common parent company if an approved vendor or
22 designee, as applicable, failed to meet the minimum
23 equity standards for the prior delivery year. Waivers
24 approved for lack of equity eligible persons or equity
25 eligible contractors in a geographic area of a project
26 shall not count against the approved vendor or

1 designee. The Agency shall offer a corrective action
2 plan for any such entities to assist them in obtaining
3 compliance and shall allow continued access to
4 procurement programs upon an approved vendor or
5 designee demonstrating compliance.

6 (E) The Agency shall pursue efficiencies achieved
7 by combining with other approved vendor or designee
8 reporting.

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

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

1 bids through which a higher portion of contract value
2 flows to equity eligible contractors. To the extent
3 practicable, entities participating in competitive
4 procurements shall also be required to meet all the equity
5 accountability requirements for approved vendors and their
6 designees under this subsection (c-10). In developing
7 these requirements, the Agency shall also consider whether
8 equity goals can be further advanced through additional
9 measures.

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

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

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

24 (C) A program for approved vendors, designees,
25 eligible persons, and equity eligible contractors to
26 receive trainings, guidance, and other support from

1 the Agency or its designee regarding the equity
2 category outlined in item (vi) of subparagraph (K) of
3 paragraph (1) of subsection (c) and in meeting the
4 minimum equity standards of this subsection (c-10).

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

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

1 subsequent waiver request from an applicant shall be
2 subject to the requirements of this Section and shall
3 specify efforts made to reach compliance. When
4 considering whether to grant a waiver, and to what
5 extent, the Agency shall consider the degree to which
6 similarly situated applicants have been able to meet
7 these minimum equity commitments. For repeated waiver
8 requests for specific lack of eligible persons or
9 eligible contractors available, the Agency shall make
10 recommendations to target recruitment to add such
11 eligible persons or eligible contractors to the
12 database.

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

21 (6) The Agency shall keep confidential all information
22 and communication that provides private or personal
23 information.

24 (7) Modifications to the equity accountability system.
25 As part of the update of the long-term renewable resources
26 procurement plan to be initiated in 2023, or sooner if the

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

26 (c-15) Racial discrimination elimination powers and

1 process.

2 (1) Purpose. It is the purpose of this subsection to
3 empower the Agency and other State actors to remedy racial
4 discrimination in Illinois' clean energy economy as
5 effectively and expediently as possible, including through
6 the use of race-conscious remedies, such as race-conscious
7 contracting and hiring goals, as consistent with State and
8 federal law.

9 (2) Racial disparity and discrimination review
10 process.

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

22 (B) As soon as is practicable thereafter, the
23 Agency, in consultation with the Department of
24 Commerce and Economic Opportunity, Department of
25 Labor, and other agencies that may be relevant, shall
26 commission and publish a disparity and availability

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

23 (c-20) Program data collection.

24 (1) Purpose. Data collection, data analysis, and
25 reporting are critical to ensure that the benefits of the
26 clean energy economy provided to Illinois residents and

1 businesses are equitably distributed across the State. The
2 Agency shall collect data from program applicants in order
3 to track and improve equitable distribution of benefits
4 across Illinois communities for all procurements the
5 Agency conducts. The Agency shall use this data to, among
6 other things, measure any potential impact of racial
7 discrimination on the distribution of benefits and provide
8 information necessary to correct any discrimination
9 through methods consistent with State and federal law.

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

14 (3) Required information to be collected. The Agency
15 shall collect the following information from applicants
16 and program participants where applicable:

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

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

1 (C) any other information the Agency determines is
2 necessary for the purpose of achieving the purpose of
3 this subsection.

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

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

12 (c-25) Energy Workforce Equity Database.

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

23 (A) publicly accessible;

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

25 (C) organized by company specialty or field;

26 (D) region-specific; and

1 (E) populated with information including, but not
2 limited to, contacts for suppliers, vendors, or
3 subcontractors who are minority and women-owned
4 business enterprise certified or who participate or
5 have participated in any of the programs described in
6 this Act.

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

10 (A) a map of environmental justice and equity
11 investment eligible communities;

12 (B) job postings and recruiting opportunities;

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

17 (D) information on workforce training service
18 providers and training opportunities available to
19 prospective workers;

20 (E) renewable energy company diversity reporting;

21 (F) a list of equity eligible contractors with
22 their contact information, types of work performed,
23 and locations worked in;

24 (G) reporting on outcomes of the programs
25 described in the workforce programs of the Energy
26 Transition Act, including information such as, but not

1 limited to, retention rate, graduation rate, and
2 placement rates of trainees; and

3 (H) information about the Jobs and Environmental
4 Justice Grant Program, the Clean Energy Jobs and
5 Justice Fund, and other sources of capital.

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

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

1 subparagraph (c-10) may reapply once they have a corrective
2 action plan and achieve compliance with the minimum equity
3 standards.

4 (d) Clean coal portfolio standard.

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

1 Agency staff, and the procurement monitor and shall be
2 subject to Commission review and approval.

3 A utility party to a sourcing agreement shall
4 immediately retire any emission credits that it receives
5 in connection with the electricity covered by such
6 agreement.

7 Utilities shall maintain adequate records documenting
8 the purchases under the sourcing agreement to comply with
9 this subsection (d) and shall file an accounting with the
10 load forecast that must be filed with the Agency by July 15
11 of each year, in accordance with subsection (d) of Section
12 16-111.5 of the Public Utilities Act.

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

17 (2) For purposes of this subsection (d), the required
18 execution of sourcing agreements with the initial clean
19 coal facility for a particular year shall be measured as a
20 percentage of the actual amount of electricity
21 (megawatt-hours) supplied by the electric utility to
22 eligible retail customers in the planning year ending
23 immediately prior to the agreement's execution. For
24 purposes of this subsection (d), the amount paid per
25 kilowatthour means the total amount paid for electric
26 service expressed on a per kilowatthour basis. For

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

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

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

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

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

26 (D) in 2013, the greater of an additional 0.5% of

1 the amount paid per kilowatthour by those customers
2 during the year ending May 31, 2012 or 2% of the amount
3 paid per kilowatthour by those customers during the
4 year ending May 31, 2009; and

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

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

26 (3) Initial clean coal facility. In order to promote

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

22 (A) a formula contractual price (the "contract
23 price") approved pursuant to paragraph (4) of this
24 subsection (d), which shall:

25 (i) be determined using a cost of service
26 methodology employing either a level or deferred

1 capital recovery component, based on a capital
2 structure consisting of 45% equity and 55% debt,
3 and a return on equity as may be approved by the
4 Federal Energy Regulatory Commission, which in any
5 case may not exceed the lower of 11.5% or the rate
6 of return approved by the General Assembly
7 pursuant to paragraph (4) of this subsection (d);
8 and

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

25 (B) power purchase provisions, which shall:

26 (i) provide that the utility party to such

1 sourcing agreement shall pay the contract price
2 for electricity delivered under such sourcing
3 agreement;

4 (ii) require delivery of electricity to the
5 regional transmission organization market of the
6 utility that is party to such sourcing agreement;

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

1 this subsection (d); and

2 (iv) be considered pre-existing contracts in
3 such utility's procurement plans for eligible
4 retail customers;

5 (C) contract for differences provisions, which
6 shall:

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

1 any year will be limited by paragraph (2) of this
2 subsection (d);

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

21 (iii) not require the utility to take physical
22 delivery of the electricity produced by the
23 facility;

24 (D) general provisions, which shall:

25 (i) specify a term of no more than 30 years,
26 commencing on the commercial operation date of the

1 facility;

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

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

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

23 (v) require the owner of the initial clean
24 coal facility to provide documentation to the
25 Commission each year, starting in the facility's
26 first year of commercial operation, accurately

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

1 clean coal facility shall not forfeit its
2 designation as a clean coal facility if the
3 facility fails to fully comply with the applicable
4 carbon sequestration requirements in any given
5 year, provided the requisite offsets are
6 purchased. However, the Attorney General, on
7 behalf of the People of the State of Illinois, may
8 specifically enforce the facility's sequestration
9 requirement and the other terms of this contract
10 provision. Compliance with the sequestration
11 requirements and offset purchase requirements
12 specified in paragraph (3) of this subsection (d)
13 shall be reviewed annually by an independent
14 expert retained by the owner of the initial clean
15 coal facility, with the advance written approval
16 of the Attorney General. The Commission may, in
17 the course of the review specified in item (vii),
18 reduce the allowable return on equity for the
19 facility if the facility willfully fails to comply
20 with the carbon capture and sequestration
21 requirements set forth in this item (v);

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

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

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

23 (ix) limit the utility's or alternative retail
24 electric supplier's obligation to incur any
25 liability until such time as the facility is in
26 commercial operation and generating power and

1 energy and such power and energy is being
2 delivered to the facility busbar;

3 (x) provide that the owner or owners of the
4 initial clean coal facility, which is the
5 counterparty to such sourcing agreement, shall
6 have the right from time to time to elect whether
7 the obligations of the utility party thereto shall
8 be governed by the power purchase provisions or
9 the contract for differences provisions;

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

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

23 (xiii) conform with customary lender
24 requirements in power purchase agreements used as
25 the basis for financing non-utility generators.

26 (4) Effective date of sourcing agreements with the

1 initial clean coal facility. Any proposed sourcing
2 agreement with the initial clean coal facility shall not
3 become effective unless the following reports are prepared
4 and submitted and authorizations and approvals obtained:

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

18 (ii) Commission report. Within 6 months following
19 receipt of the facility cost report, the Commission,
20 in consultation with the Agency, shall submit a report
21 to the General Assembly setting forth its analysis of
22 the facility cost report. Such report shall include,
23 but not be limited to, a comparison of the costs
24 associated with electricity generated by the initial
25 clean coal facility to the costs associated with
26 electricity generated by other types of generation

1 facilities, an analysis of the rate impacts on
2 residential and small business customers over the life
3 of the sourcing agreements, and an analysis of the
4 likelihood that the initial clean coal facility will
5 commence commercial operation by and be delivering
6 power to the facility's busbar by 2016. To assist in
7 the preparation of its report, the Commission, in
8 consultation with the Agency, may hire one or more
9 experts or consultants, the costs of which shall be
10 paid for by the owner of the initial clean coal
11 facility. The Commission and Agency may begin the
12 process of selecting such experts or consultants prior
13 to receipt of the facility cost report.

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

25 (iv) Commission review. If the General Assembly
26 enacts authorizing legislation pursuant to

1 subparagraph (iii) approving a sourcing agreement, the
2 Commission shall, within 90 days of such enactment,
3 complete a review of such sourcing agreement. During
4 such time period, the Commission shall implement any
5 directive of the General Assembly, resolve any
6 disputes between the parties to the sourcing agreement
7 concerning the terms of such agreement, approve the
8 form of such agreement, and issue an order finding
9 that the sourcing agreement is prudent and reasonable.
10 The facility cost report shall be prepared as follows:

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

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

26 (ii) an estimate of the capital cost of the

1 balance of the plant, including any capital costs
2 associated with sequestration of carbon dioxide
3 emissions and all interconnects and interfaces
4 required to operate the facility, such as
5 transmission of electricity, construction or
6 backfeed power supply, pipelines to transport
7 substitute natural gas or carbon dioxide, potable
8 water supply, natural gas supply, water supply,
9 water discharge, landfill, access roads, and coal
10 delivery.

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

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

25 (C) The facility cost report shall also include an
26 operating and maintenance cost quote that will provide

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

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

23 (D) The facility cost report shall also include an
24 analysis of the initial clean coal facility's ability
25 to deliver power and energy into the applicable
26 regional transmission organization markets and an

1 analysis of the expected capacity factor for the
2 initial clean coal facility.

3 (E) Amounts paid to third parties unrelated to the
4 owner or owners of the initial clean coal facility to
5 prepare the core plant construction cost quote,
6 including the front end engineering and design study,
7 and the operating and maintenance cost quote will be
8 reimbursed through Coal Development Bonds.

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

1 sourcing agreements that are contracts for differences,
2 the contract price from which the reference price is
3 subtracted shall be established on a cost of service
4 basis. The Agency and the Commission may approve any such
5 utility sourcing agreements that do not exceed cost-based
6 benchmarks developed by the procurement administrator, in
7 consultation with the Commission staff, Agency staff and
8 the procurement monitor, subject to Commission review and
9 approval. The Commission shall have authority to inspect
10 all books and records associated with these clean coal
11 facilities during the term of any such contract.

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

18 (d-5) Zero emission standard.

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

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

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

26 The procurement process shall be subject to the

1 following provisions:

2 (A) Those zero emission facilities that intend to
3 participate in the procurement shall submit to the
4 Agency the following eligibility information for each
5 zero emission facility on or before the date
6 established by the Agency:

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

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

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

1 operations, provided that "necessary" means, for
2 purposes of this item (iii), that the costs could
3 reasonably be avoided only by ceasing operations
4 of the zero emission facility; and

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

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

22 (B) The price for each zero emission credit
23 procured under this subsection (d-5) for each delivery
24 year shall be in an amount that equals the Social Cost
25 of Carbon, expressed on a price per megawatthour
26 basis. However, to ensure that the procurement remains

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

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

25 (ii) Baseline market price index: The baseline
26 market price index for the consecutive 12-month

1 period ending May 31, 2016 is \$31.40 per
2 megawatthour, which is based on the sum of (aa)
3 the average day-ahead energy price across all
4 hours of such 12-month period at the PJM
5 Interconnection LLC Northern Illinois Hub, (bb)
6 50% multiplied by the Base Residual Auction, or
7 its successor, capacity price for the rest of the
8 RTO zone group determined by PJM Interconnection
9 LLC, divided by 24 hours per day, and (cc) 50%
10 multiplied by the Planning Resource Auction, or
11 its successor, capacity price for Zone 4
12 determined by the Midcontinent Independent System
13 Operator, Inc., divided by 24 hours per day.

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

18 (aa) Projected energy prices: the
19 projected energy prices for the applicable
20 delivery year shall be calculated once for the
21 year using the forward market price for the
22 PJM Interconnection, LLC Northern Illinois
23 Hub. The forward market price shall be
24 calculated as follows: the energy forward
25 prices for each month of the applicable
26 delivery year averaged for each trade date

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

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

18 "Rest of the RTO" and "ComEd Zone" shall have
19 the meaning ascribed to them by PJM
20 Interconnection, LLC.

21 "RTO" means regional transmission
22 organization.

23 (C) No later than 45 days after June 1, 2017 (the
24 effective date of Public Act 99-906), the Agency shall
25 publish its proposed zero emission standard
26 procurement plan. The plan shall be consistent with

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

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

1 State and their independent market monitors.

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

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

24 (C-5) As part of the Commission's review and
25 acceptance or rejection of the procurement results,
26 the Commission shall, in its public notice of

1 successful bidders:

2 (i) identify how the winning bids satisfy the
3 public interest criteria described in subparagraph
4 (C) of this paragraph (1) of minimizing carbon
5 dioxide emissions that result from electricity
6 consumed in Illinois and minimizing sulfur
7 dioxide, nitrogen oxide, and particulate matter
8 emissions that adversely affect the citizens of
9 this State;

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

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

23 (aa) the value of avoided greenhouse gas
24 emissions measured as the product of the zero
25 emission facilities' output over the contract
26 term multiplied by the U.S. Environmental

1 Protection Agency eGrid subregion carbon
2 dioxide emission rate and the U.S. Interagency
3 Working Group on Social Cost of Carbon's price
4 in the August 2016 Technical Update using a 3%
5 discount rate, adjusted for inflation for each
6 delivery year; and

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

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

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

1 credits from photovoltaic distributed
2 generation projects in procurement events
3 held under subsection (c) of this Section.

4 Each utility shall enter into binding contractual
5 arrangements with the winning suppliers.

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

24 (D) Following the procurement event described in
25 this paragraph (1) and consistent with subparagraph
26 (B) of this paragraph (1), the Agency shall calculate

1 the payments to be made under each contract for the
2 next delivery year based on the market price index for
3 that delivery year. The Agency shall publish the
4 payment calculations no later than May 25, 2017 and
5 every May 25 thereafter.

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

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

1 reasonable efforts, it has been unable to
2 overcome. In such event, the zero emission
3 facility shall be excused from performance for the
4 duration of the event, including, but not limited
5 to, delivery of zero emission credits, and no
6 payment shall be due to the zero emission facility
7 during the duration of the event.

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

21 (iii) A zero emission facility shall be
22 permitted to terminate the contract in the event
23 that the resource requires capital expenditures in
24 excess of \$40,000,000 that were neither known nor
25 reasonably foreseeable at the time it executed the
26 contract and that a prudent owner or operator of

1 such resource would not undertake.

2 (iv) A zero emission facility shall be
3 permitted to terminate the contract in the event
4 the Nuclear Regulatory Commission terminates the
5 resource's license.

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

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

22 Notwithstanding the requirements of this subsection
23 (d-5), the contracts executed under this subsection (d-5)
24 shall provide that the total of zero emission credits
25 procured under a procurement plan shall be subject to the
26 limitations of this paragraph (2). For each delivery year,

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

1 paragraph (2), no subsequent rate impact determinations
2 shall be made and no adjustments to those contract amounts
3 shall be allowed. All costs incurred under those contracts
4 and in implementing this subsection (d-5) shall be
5 recovered by the electric utility as provided in this
6 Section.

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

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

1 payments received by the supplier over the relevant period
2 exceed the Average ZEC Payment, then the supplier shall
3 credit the difference back to the utility. The amount of
4 the credit shall be remitted to the applicable electric
5 utility no later than 120 days after the Agency's
6 determination, which the utility shall reflect as a credit
7 on its retail customer bills as soon as practicable;
8 however, the credit remitted to the utility shall not
9 exceed the total amount of payments received by the
10 facility under its contract.

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

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

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

1 (d-5).

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

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

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

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

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

22 (d-10) Nuclear Plant Assistance; carbon mitigation
23 credits.

24 (1) The General Assembly finds:

25 (A) The health, welfare, and prosperity of all
26 Illinois citizens require that the State of Illinois act

1 to avoid and not increase carbon emissions from electric
2 generation sources while continuing to ensure affordable,
3 stable, and reliable electricity to all citizens.

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

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

19 (D) The clean energy attributes of nuclear generation
20 facilities support the State in its efforts to achieve
21 100% clean energy.

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

26 (F) The Environmental Protection Agency commissioned

1 an independent audit which provided a detailed assessment
2 of the financial condition of the Illinois nuclear fleet
3 to evaluate its financial viability and whether the
4 environmental benefits of such resources were at risk. The
5 report identified the risk of losing the environmental
6 benefits of several specific nuclear units. The report
7 also identified that the LaSalle County Generating Station
8 will continue to operate through 2026 and therefore is not
9 eligible to participate in the carbon mitigation credit
10 program.

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

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

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

1 residents.

2 (2) As used in this subsection:

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

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

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

24 (3) Procurement.

25 (A) Beginning with the delivery year commencing on
26 June 1, 2022, the Agency shall, for electric utilities

1 serving at least 3,000,000 retail customers in the State,
2 seek to procure contracts for no more than approximately
3 54,500,000 cost-effective carbon mitigation credits from
4 carbon-free energy resources because such credits are
5 necessary to support current levels of carbon-free energy
6 generation and ensure the State meets its carbon dioxide
7 emissions reduction goals. The Agency shall not make a
8 partial award of a contract for carbon mitigation credits
9 covering a fractional amount of a carbon-free energy
10 resource's projected output.

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

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

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

20 (iii) a commitment to be reflected in any contract
21 entered into pursuant to this subsection (d-10) to
22 continue operating the carbon-free energy resource at
23 a capacity factor of at least 88% annually on average
24 for the duration of the contract or contracts executed
25 under the procurement held under this subsection
26 (d-10), except in an instance described in

1 subparagraph (E) of paragraph (1) of subsection (d-5)
2 of this Section or made impracticable as a result of
3 compliance with law or regulation;

4 (iv) financial need and the risk of loss of the
5 environmental benefits of such resource, which shall
6 include the following information:

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

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

1 anticipated tax credits, and any other direct
2 federal support.

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

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

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

1 applicable.

2 (ii) Contracts for carbon mitigation credits shall
3 commence with the delivery year beginning on June 1,
4 2022 and shall be for a term of 5 delivery years
5 concluding on May 31, 2027.

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

9 (I) one of the following energy price indices,
10 selected by the bidder at the time of the bid for
11 the term of the contract:

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

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

23 (II) the Base Residual Auction Capacity Price
24 for the ComEd zone as determined by PJM
25 Interconnection, LLC, divided by 24 hours per day,
26 for the applicable delivery year for the first 3

1 delivery years, and then any subsequent delivery
2 years unless the PJM Interconnection, LLC applies
3 the Minimum Offer Price Rule to participating
4 carbon-free energy resources because they supply
5 carbon mitigation credits pursuant to this Section
6 at which time, upon notice by the carbon-free
7 energy resource to the Commission and subject to
8 the Commission's confirmation, the value under
9 this subitem shall be zero, as further described
10 in the carbon mitigation credit procurement plan;
11 and

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

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

24 To protect retail customers from retail rate
25 impacts that may arise upon the initiation of carbon
26 policy changes, if the price-per-megawatt-hour

1 calculation performed under item (iii) of this
2 subparagraph (C) for a given delivery year results in
3 a net negative value, then the supplier counterparty
4 to the contract shall multiply such net value by the
5 applicable contract quantity and remit such amount to
6 the electric utility counterparty. The electric
7 utility shall reflect such amounts remitted by
8 suppliers as a credit on its retail customer bills as
9 soon as practicable.

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

17 The baseline costs for the applicable year shall
18 be the following:

19 (I) For the delivery year beginning June 1,
20 2022, the baseline costs shall be an amount equal
21 to \$30.30 per megawatt-hour.

22 (II) For the delivery year beginning June 1,
23 2023, the baseline costs shall be an amount equal
24 to \$32.50 per megawatt-hour.

25 (III) For the delivery year beginning June 1,
26 2024, the baseline costs shall be an amount equal

1 to \$33.43 per megawatt-hour.

2 (IV) For the delivery year beginning June 1,
3 2025, the baseline costs shall be an amount equal
4 to \$33.50 per megawatt-hour.

5 (V) For the delivery year beginning June 1,
6 2026, the baseline costs shall be an amount equal
7 to \$34.50 per megawatt-hour.

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

18 Although actual energy and capacity prices may
19 vary from year-to-year, the General Assembly finds
20 that this customer protection cap will help ensure
21 that the cost of carbon mitigation credits will be
22 less than its value, based upon the social cost of
23 carbon identified in the Technical Support Document
24 issued in February 2021 by the U.S. Interagency
25 Working Group on Social Cost of Greenhouse Gases and
26 the PJM Interconnection, LLC carbon dioxide marginal

1 emission rate for 2020, and that a carbon-free energy
2 resource receiving payment for carbon mitigation
3 credits receives no more than necessary to keep those
4 units in operation.

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

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

19 (E) If the Commission determines that the plan is
20 likely to result in the procurement of cost-effective
21 carbon mitigation credits, then the Commission shall,
22 after notice and hearing and opportunity for comment, but
23 no later than 42 days after the Agency filed the plan,
24 approve the plan or approve it with modification. For
25 purposes of this subsection (d-10), "cost-effective" means
26 carbon mitigation credits that are procured from

1 carbon-free energy resources at prices that are within the
2 limits specified in this paragraph (3). As part of the
3 Commission's review and acceptance or rejection of the
4 procurement results, the Commission shall, in its public
5 notice of successful bidders:

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

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

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

26 (I) an assessment value of avoided greenhouse

1 gas emissions measured as the product of the
2 carbon-free energy resources' output over the
3 contract term, using generally accepted
4 methodologies for the valuation of avoided
5 emissions; and

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

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

1 the December 3, 2021 contract execution deadline.
2 Following the completion of such procurements, and
3 consistent with this paragraph (3), the Agency shall
4 calculate the payments to be made under each contract in a
5 timely fashion.

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

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

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

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

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

24 (f) The Agency shall submit the final procurement plan to
25 the Commission. The Agency shall revise a procurement plan if
26 the Commission determines that it does not meet the standards

1 set forth in Section 16-111.5 of the Public Utilities Act.

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

5 (h) The Agency shall assess fees to each bidder to recover
6 the costs incurred in connection with a competitive
7 procurement process.

8 (i) A renewable energy credit, carbon emission credit,
9 zero emission credit, or carbon mitigation credit can only be
10 used once to comply with a single portfolio or other standard
11 as set forth in subsection (c), subsection (d), or subsection
12 (d-5) of this Section, respectively. A renewable energy
13 credit, carbon emission credit, zero emission credit, or
14 carbon mitigation credit cannot be used to satisfy the
15 requirements of more than one standard. If more than one type
16 of credit is issued for the same megawatt hour of energy, only
17 one credit can be used to satisfy the requirements of a single
18 standard. After such use, the credit must be retired together
19 with any other credits issued for the same megawatt hour of
20 energy.

21 (Source: P.A. 101-81, eff. 7-12-19; 101-113, eff. 1-1-20;
22 102-662, eff. 9-15-21.)

23 Section 1-8. The Community Energy, Climate, and Jobs
24 Planning Act is amended by changing Section 15-10 as follows:

1 (50 ILCS 65/15-10)

2 (Section scheduled to be repealed on September 15, 2045)

3 Sec. 15-10. Definitions. As used in this Act:

4 "Alternative energy improvement" means the installation or
5 upgrade of electrical wiring, outlets, or charging stations to
6 charge a motor vehicle that is fully or partially powered by
7 electricity; photovoltaic, energy storage, or thermal
8 resource; or any combination thereof.

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

17 "Energy efficiency improvement" means equipment, devices,
18 or materials intended to decrease energy consumption or
19 promote a more efficient use of electricity, natural gas,
20 propane, or other forms of energy on property, including, but
21 not limited to:

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

24 (2) storm windows and doors, multi-glazed windows and
25 doors, heat-absorbing or heat-reflective glazed and coated
26 window and door systems, and additional glazing,

1 reductions in glass area, and other window and door system
2 modifications that reduce energy consumption;

3 (3) automated energy control systems;

4 (4) high efficiency heating, ventilating, or
5 air-conditioning and distribution system modifications or
6 replacements;

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

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

10 (7) energy controls or recovery systems;

11 (8) day lighting systems;

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

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

17 "Energy project" means the installation or modification of
18 an alternative energy improvement, energy efficiency
19 improvement, or water use improvement, or the acquisition,
20 installation, or improvement of a renewable energy system that
21 is affixed to a stabilized existing property, including new
22 construction.

23 "Environmental justice communities" means the proposed
24 definition of that term based on existing methodologies and
25 findings used by the Illinois Power Agency and its
26 Administrator in its Illinois Solar for All Program.

1 "Equity investment eligible community" or "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, eligible
6 communities shall be defined as 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, where residents have historically been subject
15 to disproportionate burdens of pollution, including
16 pollution from the energy sector.

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

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

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

26 (3) a person who was formerly incarcerated.

1 "Governing body" means the county board or board of county
2 commissioners of a county, the city council of a municipality,
3 or the board of trustees of a village.

4 "Local Employment Plan" means a bidding option that public
5 agencies may include in requests for proposals to incentivize
6 bidders to voluntarily plan to retain and create high-skilled
7 local manufacturing jobs; invest in preapprenticeship,
8 apprenticeship, and training opportunities; and develop
9 family-sustaining career pathways into clean energy industries
10 for disadvantaged workers in a specified local area. The Local
11 Employment Plan only applies to work that is not financed with
12 federal money.

13 "Local unit of government" means a county, municipality,
14 or village.

15 "Natural climate solutions" means conservation,
16 restoration, or improved land management actions that increase
17 carbon storage or avoid greenhouse gas emissions on natural
18 and working lands.

19 "Nature-based approaches for climate adaptation" means
20 actions that preserve, enhance, or expand functions provided
21 by nature that increase capacity to manage adverse conditions
22 created or exacerbated by climate change. "Nature-based
23 approaches for climate adaptation" includes, but is not
24 limited to, the restoration of native ecosystems, especially
25 floodplains; installation of bioswales, rain gardens, and
26 other green stormwater infrastructure; and practices that

1 increase soil health and reduce urban heat island effects.

2 "Public agency" means the State of Illinois or any of its
3 government bodies and subdivisions, including the various
4 counties, townships, municipalities, school districts,
5 educational service regions, special road districts, public
6 water supply districts, drainage districts, levee districts,
7 sewer districts, housing authorities, and transit agencies.

8 "Renewable energy resources" has the meaning set forth in
9 Section 1-10 of the Illinois Power Agency Act. ~~resource~~
10 ~~includes energy and its associated renewable energy credit or~~
11 ~~renewable energy credits from wind energy, solar thermal~~
12 ~~energy, geothermal energy, photovoltaic cells and panels,~~
13 ~~biodiesel, anaerobic digestion, and hydropower that does not~~
14 ~~involve new construction or significant expansion of~~
15 ~~hydropower dams. For purposes of this Act, landfill gas~~
16 ~~produced in the State is considered a renewable energy~~
17 ~~resource. "Renewable energy resource" does not include the~~
18 ~~incineration or burning of any solid material.~~

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

25 "U.S. Employment Plan" means a bidding option that public
26 agencies may include in requests for proposals to incentivize

1 bidders to voluntarily plan to retain and create high-skilled
2 U.S. manufacturing jobs; invest in preapprenticeship,
3 apprenticeship, and training opportunities; and develop
4 family-sustaining career pathways into clean energy industries
5 for disadvantaged workers throughout the U.S. The U.S.
6 Employment Plan only applies to work financed with federal
7 Money.

8 "Water use improvement" means any fixture, product,
9 system, device, or interacting group thereof for or serving
10 any property that has the effect of conserving water resources
11 through improved water management, efficiency, or thermal
12 resource.

13 (Source: P.A. 102-662, eff. 9-15-21.); and

14 on page 4, line 23, after "8-218," by inserting "16-107.5,";
15 and

16 on page 10, immediately below line 7, by inserting the
17 following:

18 "(220 ILCS 5/16-107.5)

19 Sec. 16-107.5. Net electricity metering.

20 (a) The General Assembly finds and declares that a program
21 to provide net electricity metering, as defined in this
22 Section, for eligible customers can encourage private
23 investment in renewable energy resources, stimulate economic

1 growth, enhance the continued diversification of Illinois'
2 energy resource mix, and protect the Illinois environment.
3 Further, to achieve the goals of this Act that robust options
4 for customer-site distributed generation continue to thrive in
5 Illinois, the General Assembly finds that a predictable
6 transition must be ensured for customers between full net
7 metering at the retail electricity rate to the distribution
8 generation rebate described in Section 16-107.6.

9 (b) As used in this Section, (i) "community renewable
10 generation project" shall have the meaning set forth in
11 Section 1-10 of the Illinois Power Agency Act; (ii) "eligible
12 customer" means a retail customer that owns, hosts, or
13 operates, including any third-party owned systems, a solar,
14 wind, or other eligible renewable electrical generating
15 facility that is located on the customer's premises or
16 customer's side of the billing meter and is intended primarily
17 to offset the customer's own current or future electrical
18 requirements; (iii) "electricity provider" means an electric
19 utility or alternative retail electric supplier; (iv)
20 "eligible renewable electrical generating facility" means a
21 generator, which may include the co-location of an energy
22 storage system, that is interconnected under rules adopted by
23 the Commission and is powered by a renewable energy resource
24 as defined in Section 1-10 of the Illinois Power Agency Act ~~by~~
25 ~~solar electric energy, wind, dedicated crops grown for~~
26 ~~electricity generation, agricultural residues, untreated and~~

1 ~~unadulterated wood waste, livestock manure, anaerobic~~
2 ~~digestion of livestock or food processing waste, fuel cells or~~
3 ~~microturbines powered by renewable fuels, or hydroelectric~~
4 ~~energy;~~ (v) "net electricity metering" (or "net metering")
5 means the measurement, during the billing period applicable to
6 an eligible customer, of the net amount of electricity
7 supplied by an electricity provider to the customer or
8 provided to the electricity provider by the customer or
9 subscriber; (vi) "subscriber" shall have the meaning as set
10 forth in Section 1-10 of the Illinois Power Agency Act; (vii)
11 "subscription" shall have the meaning set forth in Section
12 1-10 of the Illinois Power Agency Act; (viii) "energy storage
13 system" means commercially available technology that is
14 capable of absorbing energy and storing it for a period of time
15 for use at a later time, including, but not limited to,
16 electrochemical, thermal, and electromechanical technologies,
17 and may be interconnected behind the customer's meter or
18 interconnected behind its own meter; and (ix) "future
19 electrical requirements" means modeled electrical requirements
20 upon occupation of a new or vacant property, and other
21 reasonable expectations of future electrical use, as well as,
22 for occupied properties, a reasonable approximation of the
23 annual load of 2 electric vehicles and, for non-electric
24 heating customers, a reasonable approximation of the
25 incremental electric load associated with fuel switching. The
26 approximations shall be applied to the appropriate net

1 metering tariff and do not need to be unique to each individual
2 eligible customer. The utility shall submit these
3 approximations to the Commission for review, modification, and
4 approval.

5 (c) A net metering facility shall be equipped with
6 metering equipment that can measure the flow of electricity in
7 both directions at the same rate.

8 (1) For eligible customers whose electric service has
9 not been declared competitive pursuant to Section 16-113
10 of this Act as of July 1, 2011 and whose electric delivery
11 service is provided and measured on a kilowatt-hour basis
12 and electric supply service is not provided based on
13 hourly pricing, this shall typically be accomplished
14 through use of a single, bi-directional meter. If the
15 eligible customer's existing electric revenue meter does
16 not meet this requirement, the electricity provider shall
17 arrange for the local electric utility or a meter service
18 provider to install and maintain a new revenue meter at
19 the electricity provider's expense, which may be the smart
20 meter described by subsection (b) of Section 16-108.5 of
21 this Act.

22 (2) For eligible customers whose electric service has
23 not been declared competitive pursuant to Section 16-113
24 of this Act as of July 1, 2011 and whose electric delivery
25 service is provided and measured on a kilowatt demand
26 basis and electric supply service is not provided based on

1 hourly pricing, this shall typically be accomplished
2 through use of a dual channel meter capable of measuring
3 the flow of electricity both into and out of the
4 customer's facility at the same rate and ratio. If such
5 customer's existing electric revenue meter does not meet
6 this requirement, then the electricity provider shall
7 arrange for the local electric utility or a meter service
8 provider to install and maintain a new revenue meter at
9 the electricity provider's expense, which may be the smart
10 meter described by subsection (b) of Section 16-108.5 of
11 this Act.

12 (3) For all other eligible customers, until such time
13 as the local electric utility installs a smart meter, as
14 described by subsection (b) of Section 16-108.5 of this
15 Act, the electricity provider may arrange for the local
16 electric utility or a meter service provider to install
17 and maintain metering equipment capable of measuring the
18 flow of electricity both into and out of the customer's
19 facility at the same rate and ratio, typically through the
20 use of a dual channel meter. If the eligible customer's
21 existing electric revenue meter does not meet this
22 requirement, then the costs of installing such equipment
23 shall be paid for by the customer.

24 (d) An electricity provider shall measure and charge or
25 credit for the net electricity supplied to eligible customers
26 or provided by eligible customers whose electric service has

1 not been declared competitive pursuant to Section 16-113 of
2 this Act as of July 1, 2011 and whose electric delivery service
3 is provided and measured on a kilowatt-hour basis and electric
4 supply service is not provided based on hourly pricing in the
5 following manner:

6 (1) If the amount of electricity used by the customer
7 during the billing period exceeds the amount of
8 electricity produced by the customer, the electricity
9 provider shall charge the customer for the net electricity
10 supplied to and used by the customer as provided in
11 subsection (e-5) of this Section.

12 (2) If the amount of electricity produced by a
13 customer during the billing period exceeds the amount of
14 electricity used by the customer during that billing
15 period, the electricity provider supplying that customer
16 shall apply a 1:1 kilowatt-hour credit to a subsequent
17 bill for service to the customer for the net electricity
18 supplied to the electricity provider. The electricity
19 provider shall continue to carry over any excess
20 kilowatt-hour credits earned and apply those credits to
21 subsequent billing periods to offset any
22 customer-generator consumption in those billing periods
23 until all credits are used or until the end of the
24 annualized period.

25 (3) At the end of the year or annualized over the
26 period that service is supplied by means of net metering,

1 or in the event that the retail customer terminates
2 service with the electricity provider prior to the end of
3 the year or the annualized period, any remaining credits
4 in the customer's account shall expire.

5 (d-5) 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 provided based on hourly pricing or
12 time-of-use rates in the following manner:

13 (1) If the amount of electricity used by the customer
14 during any hourly period or time-of-use period exceeds the
15 amount of electricity produced by the customer, the
16 electricity provider shall charge the customer for the net
17 electricity supplied to and used by the customer according
18 to the terms of the contract or tariff to which the same
19 customer would be assigned to or be eligible for if the
20 customer was not a net metering customer.

21 (2) If the amount of electricity produced by a
22 customer during any hourly period or time-of-use period
23 exceeds the amount of electricity used by the customer
24 during that hourly period or time-of-use period, the
25 energy provider shall apply a credit for the net
26 kilowatt-hours produced in such period. The credit shall

1 consist of an energy credit and a delivery service credit.
2 The energy credit shall be valued at the same price per
3 kilowatt-hour as the electric service provider would
4 charge for kilowatt-hour energy sales during that same
5 hourly period or time-of-use period. The delivery credit
6 shall be equal to the net kilowatt-hours produced in such
7 hourly period or time-of-use period times a credit that
8 reflects all kilowatt-hour based charges in the customer's
9 electric service rate, excluding energy charges.

10 (e) An electricity provider shall measure and charge or
11 credit for the net electricity supplied to eligible customers
12 whose electric service has not been declared competitive
13 pursuant to Section 16-113 of this Act as of July 1, 2011 and
14 whose electric delivery service is provided and measured on a
15 kilowatt demand basis and electric supply service is not
16 provided based on hourly pricing in the following manner:

17 (1) If the amount of electricity used by the customer
18 during the billing period exceeds the amount of
19 electricity produced by the customer, then the electricity
20 provider shall charge the customer for the net electricity
21 supplied to and used by the customer as provided in
22 subsection (e-5) of this Section. The customer shall
23 remain responsible for all taxes, fees, and utility
24 delivery charges that would otherwise be applicable to the
25 net amount of electricity used by the customer.

26 (2) If the amount of electricity produced by a

1 customer during the billing period exceeds the amount of
2 electricity used by the customer during that billing
3 period, then the electricity provider supplying that
4 customer shall apply a 1:1 kilowatt-hour credit that
5 reflects the kilowatt-hour based charges in the customer's
6 electric service rate to a subsequent bill for service to
7 the customer for the net electricity supplied to the
8 electricity provider. The electricity provider shall
9 continue to carry over any excess kilowatt-hour credits
10 earned and apply those credits to subsequent billing
11 periods to offset any customer-generator consumption in
12 those billing periods until all credits are used or until
13 the end of the annualized period.

14 (3) At the end of the year or annualized over the
15 period that service is supplied by means of net metering,
16 or in the event that the retail customer terminates
17 service with the electricity provider prior to the end of
18 the year or the annualized period, any remaining credits
19 in the customer's account shall expire.

20 (e-5) An electricity provider shall provide electric
21 service to eligible customers who utilize net metering at
22 non-discriminatory rates that are identical, with respect to
23 rate structure, retail rate components, and any monthly
24 charges, to the rates that the customer would be charged if not
25 a net metering customer. An electricity provider shall not
26 charge net metering customers any fee or charge or require

1 additional equipment, insurance, or any other requirements not
2 specifically authorized by interconnection standards
3 authorized by the Commission, unless the fee, charge, or other
4 requirement would apply to other similarly situated customers
5 who are not net metering customers. The customer will remain
6 responsible for all taxes, fees, and utility delivery charges
7 that would otherwise be applicable to the net amount of
8 electricity used by the customer. Subsections (c) through (e)
9 of this Section shall not be construed to prevent an
10 arms-length agreement between an electricity provider and an
11 eligible customer that sets forth different prices, terms, and
12 conditions for the provision of net metering service,
13 including, but not limited to, the provision of the
14 appropriate metering equipment for non-residential customers.

15 (f) Notwithstanding the requirements of subsections (c)
16 through (e-5) of this Section, an electricity provider must
17 require dual-channel metering for customers operating eligible
18 renewable electrical generating facilities to whom the
19 provisions of neither subsection (d), (d-5), nor (e) of this
20 Section apply. In such cases, electricity charges and credits
21 shall be determined as follows:

22 (1) The electricity provider shall assess and the
23 customer remains responsible for all taxes, fees, and
24 utility delivery charges that would otherwise be
25 applicable to the gross amount of kilowatt-hours supplied
26 to the eligible customer by the electricity provider.

1 (2) Each month that service is supplied by means of
2 dual-channel metering, the electricity provider shall
3 compensate the eligible customer for any excess
4 kilowatt-hour credits at the electricity provider's
5 avoided cost of electricity supply over the monthly period
6 or as otherwise specified by the terms of a power-purchase
7 agreement negotiated between the customer and electricity
8 provider.

9 (3) For all eligible net metering customers taking
10 service from an electricity provider under contracts or
11 tariffs employing hourly or time-of-use rates, any monthly
12 consumption of electricity shall be calculated according
13 to the terms of the contract or tariff to which the same
14 customer would be assigned to or be eligible for if the
15 customer was not a net metering customer. When those same
16 customer-generators are net generators during any discrete
17 hourly or time-of-use period, the net kilowatt-hours
18 produced shall be valued at the same price per
19 kilowatt-hour as the electric service provider would
20 charge for retail kilowatt-hour sales during that same
21 time-of-use period.

22 (g) For purposes of federal and State laws providing
23 renewable energy credits or greenhouse gas credits, the
24 eligible customer shall be treated as owning and having title
25 to the renewable energy attributes, renewable energy credits,
26 and greenhouse gas emission credits related to any electricity

1 produced by the qualified generating unit. The electricity
2 provider may not condition participation in a net metering
3 program on the signing over of a customer's renewable energy
4 credits; provided, however, this subsection (g) shall not be
5 construed to prevent an arms-length agreement between an
6 electricity provider and an eligible customer that sets forth
7 the ownership or title of the credits.

8 (h) Within 120 days after the effective date of this
9 amendatory Act of the 95th General Assembly, the Commission
10 shall establish standards for net metering and, if the
11 Commission has not already acted on its own initiative,
12 standards for the interconnection of eligible renewable
13 generating equipment to the utility system. The
14 interconnection standards shall address any procedural
15 barriers, delays, and administrative costs associated with the
16 interconnection of customer-generation while ensuring the
17 safety and reliability of the units and the electric utility
18 system. The Commission shall consider the Institute of
19 Electrical and Electronics Engineers (IEEE) Standard 1547 and
20 the issues of (i) reasonable and fair fees and costs, (ii)
21 clear timelines for major milestones in the interconnection
22 process, (iii) nondiscriminatory terms of agreement, and (iv)
23 any best practices for interconnection of distributed
24 generation.

25 (h-5) Within 90 days after the effective date of this
26 amendatory Act of the 102nd General Assembly, the Commission

1 shall:

2 (1) establish an Interconnection Working Group. The
3 working group shall include representatives from electric
4 utilities, developers of renewable electric generating
5 facilities, other industries that regularly apply for
6 interconnection with the electric utilities,
7 representatives of distributed generation customers, the
8 Commission Staff, and such other stakeholders with a
9 substantial interest in the topics addressed by the
10 Interconnection Working Group. The Interconnection Working
11 Group shall address at least the following issues:

12 (A) cost and best available technology for
13 interconnection and metering, including the
14 standardization and publication of standard costs;

15 (B) transparency, accuracy and use of the
16 distribution interconnection queue and hosting
17 capacity maps;

18 (C) distribution system upgrade cost avoidance
19 through use of advanced inverter functions;

20 (D) predictability of the queue management process
21 and enforcement of timelines;

22 (E) benefits and challenges associated with group
23 studies and cost sharing;

24 (F) minimum requirements for application to the
25 interconnection process and throughout the
26 interconnection process to avoid queue clogging

1 behavior;

2 (G) process and customer service for
3 interconnecting customers adopting distributed energy
4 resources, including energy storage;

5 (H) options for metering distributed energy
6 resources, including energy storage;

7 (I) interconnection of new technologies, including
8 smart inverters and energy storage;

9 (J) collect, share, and examine data on Level 1
10 interconnection costs, including cost and type of
11 upgrades required for interconnection, and use this
12 data to inform the final standardized cost of Level 1
13 interconnection; and

14 (K) such other technical, policy, and tariff
15 issues related to and affecting interconnection
16 performance and customer service as determined by the
17 Interconnection Working Group.

18 The Commission may create subcommittees of the
19 Interconnection Working Group to focus on specific issues
20 of importance, as appropriate. The Interconnection Working
21 Group shall report to the Commission on recommended
22 improvements to interconnection rules and tariffs and
23 policies as determined by the Interconnection Working
24 Group at least every 6 months. Such reports shall include
25 consensus recommendations of the Interconnection Working
26 Group and, if applicable, additional recommendations for

1 which consensus was not reached. The Commission shall use
2 the report from the Interconnection Working Group to
3 determine whether processes should be commenced to
4 formally codify or implement the recommendations;

5 (2) create or contract for an Ombudsman to resolve
6 interconnection disputes through non-binding arbitration.
7 The Ombudsman may be paid in full or in part through fees
8 levied on the initiators of the dispute; and

9 (3) determine a single standardized cost for Level 1
10 interconnections, which shall not exceed \$200.

11 (i) All electricity providers shall begin to offer net
12 metering no later than April 1, 2008.

13 (j) An electricity provider shall provide net metering to
14 eligible customers according to subsections (d), (d-5), and
15 (e). Eligible renewable electrical generating facilities for
16 which eligible customers registered for net metering before
17 January 1, 2025 shall continue to receive net metering
18 services according to subsections (d), (d-5), and (e) of this
19 Section for the lifetime of the system, regardless of whether
20 those retail customers change electricity providers or whether
21 the retail customer benefiting from the system changes. On and
22 after January 1, 2025, any eligible customer that applies for
23 net metering and previously would have qualified under
24 subsections (d), (d-5), or (e) shall only be eligible for net
25 metering as described in subsection (n).

26 (k) Each electricity provider shall maintain records and

1 report annually to the Commission the total number of net
2 metering customers served by the provider, as well as the
3 type, capacity, and energy sources of the generating systems
4 used by the net metering customers. Nothing in this Section
5 shall limit the ability of an electricity provider to request
6 the redaction of information deemed by the Commission to be
7 confidential business information.

8 (1)(1) Notwithstanding the definition of "eligible
9 customer" in item (ii) of subsection (b) of this Section, each
10 electricity provider shall allow net metering as set forth in
11 this subsection (1) and for the following projects, provided
12 that only electric utilities serving more than 200,000
13 customers as of January 1, 2021 shall provide net metering for
14 projects that are eligible for subparagraph (C) of this
15 paragraph (1) and have energized after the effective date of
16 this amendatory Act of the 102nd General Assembly:

17 (A) properties owned or leased by multiple customers
18 that contribute to the operation of an eligible renewable
19 electrical generating facility through an ownership or
20 leasehold interest of at least 200 watts in such facility,
21 such as a community-owned wind project, a community-owned
22 biomass project, a community-owned solar project, or a
23 community methane digester processing livestock waste from
24 multiple sources, provided that the facility is also
25 located within the utility's service territory;

26 (B) individual units, apartments, or properties

1 located in a single building that are owned or leased by
2 multiple customers and collectively served by a common
3 eligible renewable electrical generating facility, such as
4 an office or apartment building, a shopping center or
5 strip mall served by photovoltaic panels on the roof; and

6 (C) subscriptions to community renewable generation
7 projects, including community renewable generation
8 projects on the customer's side of the billing meter of a
9 host facility and partially used for the customer's own
10 load.

11 In addition, the nameplate capacity of the eligible
12 renewable electric generating facility that serves the demand
13 of the properties, units, or apartments identified in
14 paragraphs (1) and (2) of this subsection (1) shall not exceed
15 5,000 kilowatts in nameplate capacity in total. Any eligible
16 renewable electrical generating facility or community
17 renewable generation project that is powered by photovoltaic
18 electric energy and installed after the effective date of this
19 amendatory Act of the 99th General Assembly must be installed
20 by a qualified person in compliance with the requirements of
21 Section 16-128A of the Public Utilities Act and any rules or
22 regulations adopted thereunder.

23 (2) Notwithstanding anything to the contrary, an
24 electricity provider shall provide credits for the electricity
25 produced by the projects described in paragraph (1) of this
26 subsection (1). The electricity provider shall provide credits

1 that include at least energy supply, capacity, transmission,
2 and, if applicable, the purchased energy adjustment on the
3 subscriber's monthly bill equal to the subscriber's share of
4 the production of electricity from the project, as determined
5 by paragraph (3) of this subsection (1). For customers with
6 transmission or capacity charges not charged on a
7 kilowatt-hour basis, the electricity provider shall prepare a
8 reasonable approximation of the kilowatt-hour equivalent value
9 and provide that value as a monetary credit. The electricity
10 provider shall submit these approximation methodologies to the
11 Commission for review, modification, and approval.
12 Notwithstanding anything to the contrary, customers on payment
13 plans or participating in budget billing programs shall have
14 credits applied on a monthly basis.

15 (3) Notwithstanding anything to the contrary and
16 regardless of whether a subscriber to an eligible community
17 renewable generation project receives power and energy service
18 from the electric utility or an alternative retail electric
19 supplier, for projects eligible under paragraph (C) of
20 subparagraph (1) of this subsection (1), electric utilities
21 serving more than 200,000 customers as of January 1, 2021
22 shall provide the monetary credits to a subscriber's
23 subsequent bill for the electricity produced by community
24 renewable generation projects. The electric utility shall
25 provide monetary credits to a subscriber's subsequent bill at
26 the utility's total price to compare equal to the subscriber's

1 share of the production of electricity from the project, as
2 determined by paragraph (5) of this subsection (1). For the
3 purposes of this subsection, "total price to compare" means
4 the rate or rates published by the Illinois Commerce
5 Commission for energy supply for eligible customers receiving
6 supply service from the electric utility, and shall include
7 energy, capacity, transmission, and the purchased energy
8 adjustment. Notwithstanding anything to the contrary,
9 customers on payment plans or participating in budget billing
10 programs shall have credits applied on a monthly basis. Any
11 applicable credit or reduction in load obligation from the
12 production of the community renewable generating projects
13 receiving a credit under this subsection shall be credited to
14 the electric utility to offset the cost of providing the
15 credit. To the extent that the credit or load obligation
16 reduction does not completely offset the cost of providing the
17 credit to subscribers of community renewable generation
18 projects as described in this subsection, the electric utility
19 may recover the remaining costs through its Multi-Year Rate
20 Plan. All electric utilities serving 200,000 or fewer
21 customers as of January 1, 2021 shall only provide the
22 monetary credits to a subscriber's subsequent bill for the
23 electricity produced by community renewable generation
24 projects if the subscriber receives power and energy service
25 from the electric utility. Alternative retail electric
26 suppliers providing power and energy service to a subscriber

1 located within the service territory of an electric utility
2 not subject to Sections 16-108.18 and 16-118 shall provide the
3 monetary credits to the subscriber's subsequent bill for the
4 electricity produced by community renewable generation
5 projects.

6 (4) If requested by the owner or operator of a community
7 renewable generating project, an electric utility serving more
8 than 200,000 customers as of January 1, 2021 shall enter into a
9 net crediting agreement with the owner or operator to include
10 a subscriber's subscription fee on the subscriber's monthly
11 electric bill and provide the subscriber with a net credit
12 equivalent to the total bill credit value for that generation
13 period minus the subscription fee, provided the subscription
14 fee is structured as a fixed percentage of bill credit value.
15 The net crediting agreement shall set forth payment terms from
16 the electric utility to the owner or operator of the community
17 renewable generating project, and the electric utility may
18 charge a net crediting fee to the owner or operator of a
19 community renewable generating project that may not exceed 2%
20 of the bill credit value. Notwithstanding anything to the
21 contrary, an electric utility serving 200,000 customers or
22 fewer as of January 1, 2021 shall not be obligated to enter
23 into a net crediting agreement with the owner or operator of a
24 community renewable generating project.

25 (5) For the purposes of facilitating net metering, the
26 owner or operator of the eligible renewable electrical

1 generating facility or community renewable generation project
2 shall be responsible for determining the amount of the credit
3 that each customer or subscriber participating in a project
4 under this subsection (1) is to receive in the following
5 manner:

6 (A) The owner or operator shall, on a monthly basis,
7 provide to the electric utility the kilowatthours of
8 generation attributable to each of the utility's retail
9 customers and subscribers participating in projects under
10 this subsection (1) in accordance with the customer's or
11 subscriber's share of the eligible renewable electric
12 generating facility's or community renewable generation
13 project's output of power and energy for such month. The
14 owner or operator shall electronically transmit such
15 calculations and associated documentation to the electric
16 utility, in a format or method set forth in the applicable
17 tariff, on a monthly basis so that the electric utility
18 can reflect the monetary credits on customers' and
19 subscribers' electric utility bills. The electric utility
20 shall be permitted to revise its tariffs to implement the
21 provisions of this amendatory Act of the 102nd General
22 Assembly. The owner or operator shall separately provide
23 the electric utility with the documentation detailing the
24 calculations supporting the credit in the manner set forth
25 in the applicable tariff.

26 (B) For those participating customers and subscribers

1 who receive their energy supply from an alternative retail
2 electric supplier, the electric utility shall remit to the
3 applicable alternative retail electric supplier the
4 information provided under subparagraph (A) of this
5 paragraph (3) for such customers and subscribers in a
6 manner set forth in such alternative retail electric
7 supplier's net metering program, or as otherwise agreed
8 between the utility and the alternative retail electric
9 supplier. The alternative retail electric supplier shall
10 then submit to the utility the amount of the charges for
11 power and energy to be applied to such customers and
12 subscribers, including the amount of the credit associated
13 with net metering.

14 (C) A participating customer or subscriber may provide
15 authorization as required by applicable law that directs
16 the electric utility to submit information to the owner or
17 operator of the eligible renewable electrical generating
18 facility or community renewable generation project to
19 which the customer or subscriber has an ownership or
20 leasehold interest or a subscription. Such information
21 shall be limited to the components of the net metering
22 credit calculated under this subsection (1), including the
23 bill credit rate, total kilowatthours, and total monetary
24 credit value applied to the customer's or subscriber's
25 bill for the monthly billing period.

26 (1-5) Within 90 days after the effective date of this

1 amendatory Act of the 102nd General Assembly, each electric
2 utility subject to this Section shall file a tariff or tariffs
3 to implement the provisions of subsection (1) of this Section,
4 which shall, consistent with the provisions of subsection (1),
5 describe the terms and conditions under which owners or
6 operators of qualifying properties, units, or apartments may
7 participate in net metering. The Commission shall approve, or
8 approve with modification, the tariff within 120 days after
9 the effective date of this amendatory Act of the 102nd General
10 Assembly.

11 (m) Nothing in this Section shall affect the right of an
12 electricity provider to continue to provide, or the right of a
13 retail customer to continue to receive service pursuant to a
14 contract for electric service between the electricity provider
15 and the retail customer in accordance with the prices, terms,
16 and conditions provided for in that contract. Either the
17 electricity provider or the customer may require compliance
18 with the prices, terms, and conditions of the contract.

19 (n) On and after January 1, 2025, the net metering
20 services described in subsections (d), (d-5), and (e) of this
21 Section shall no longer be offered, except as to those
22 eligible renewable electrical generating facilities for which
23 retail customers are receiving net metering service under
24 these subsections at the time the net metering services under
25 those subsections are no longer offered; those systems shall
26 continue to receive net metering services described in

1 subsections (d), (d-5), and (e) of this Section for the
2 lifetime of the system, regardless of if those retail
3 customers change electricity providers or whether the retail
4 customer benefiting from the system changes. The electric
5 utility serving more than 200,000 customers as of January 1,
6 2021 is responsible for ensuring the billing credits continue
7 without lapse for the lifetime of systems, as required in
8 subsection (o). Those retail customers that begin taking net
9 metering service after the date that net metering services are
10 no longer offered under such subsections shall be subject to
11 the provisions set forth in the following paragraphs (1)
12 through (3) of this subsection (n):

13 (1) An electricity provider shall charge or credit for
14 the net electricity supplied to eligible customers or
15 provided by eligible customers whose electric supply
16 service is not provided based on hourly pricing in the
17 following manner:

18 (A) If the amount of electricity used by the
19 customer during the monthly billing period exceeds the
20 amount of electricity produced by the customer, then
21 the electricity provider shall charge the customer for
22 the net kilowatt-hour based electricity charges
23 reflected in the customer's electric service rate
24 supplied to and used by the customer as provided in
25 paragraph (3) of this subsection (n).

26 (B) If the amount of electricity produced by a

1 customer during the monthly billing period exceeds the
2 amount of electricity used by the customer during that
3 billing period, then the electricity provider
4 supplying that customer shall apply a 1:1
5 kilowatt-hour energy or monetary credit kilowatt-hour
6 supply charges to the customer's subsequent bill. The
7 customer shall choose between 1:1 kilowatt-hour or
8 monetary credit at the time of application. For the
9 purposes of this subsection, "kilowatt-hour supply
10 charges" means the kilowatt-hour equivalent values for
11 energy, capacity, transmission, and the purchased
12 energy adjustment, if applicable. Notwithstanding
13 anything to the contrary, customers on payment plans
14 or participating in budget billing programs shall have
15 credits applied on a monthly basis. The electricity
16 provider shall continue to carry over any excess
17 kilowatt-hour or monetary energy credits earned and
18 apply those credits to subsequent billing periods. For
19 customers with transmission or capacity charges not
20 charged on a kilowatt-hour basis, the electricity
21 provider shall prepare a reasonable approximation of
22 the kilowatt-hour equivalent value and provide that
23 value as a monetary credit. The electricity provider
24 shall submit these approximation methodologies to the
25 Commission for review, modification, and approval.

26 (C) (Blank).

1 (2) An electricity provider shall charge or credit for
2 the net electricity supplied to eligible customers or
3 provided by eligible customers whose electric supply
4 service is provided based on hourly pricing in the
5 following manner:

6 (A) If the amount of electricity used by the
7 customer during any hourly period exceeds the amount
8 of electricity produced by the customer, then the
9 electricity provider shall charge the customer for the
10 net electricity supplied to and used by the customer
11 as provided in paragraph (3) of this subsection (n).

12 (B) If the amount of electricity produced by a
13 customer during any hourly period exceeds the amount
14 of electricity used by the customer during that hourly
15 period, the energy provider shall calculate an energy
16 credit for the net kilowatt-hours produced in such
17 period, and shall apply that credit as a monetary
18 credit to the customer's subsequent bill. The value of
19 the energy credit shall be calculated using the same
20 price per kilowatt-hour as the electric service
21 provider would charge for kilowatt-hour energy sales
22 during that same hourly period and shall also include
23 values for capacity and transmission. For customers
24 with transmission or capacity charges not charged on a
25 kilowatt-hour basis, the electricity provider shall
26 prepare a reasonable approximation of the

1 kilowatt-hour equivalent value and provide that value
2 as a monetary credit. The electricity provider shall
3 submit these approximation methodologies to the
4 Commission for review, modification, and approval.
5 Notwithstanding anything to the contrary, customers on
6 payment plans or participating in budget billing
7 programs shall have credits applied on a monthly
8 basis.

9 (3) An electricity provider shall provide electric
10 service to eligible customers who utilize net metering at
11 non-discriminatory rates that are identical, with respect
12 to rate structure, retail rate components, and any monthly
13 charges, to the rates that the customer would be charged
14 if not a net metering customer. An electricity provider
15 shall charge the customer for the net electricity supplied
16 to and used by the customer according to the terms of the
17 contract or tariff to which the same customer would be
18 assigned or be eligible for if the customer was not a net
19 metering customer. An electricity provider shall not
20 charge net metering customers any fee or charge or require
21 additional equipment, insurance, or any other requirements
22 not specifically authorized by interconnection standards
23 authorized by the Commission, unless the fee, charge, or
24 other requirement would apply to other similarly situated
25 customers who are not net metering customers. The customer
26 remains responsible for the gross amount of delivery

1 services charges, supply-related charges that are kilowatt
2 based, and all taxes and fees related to such charges. The
3 customer also remains responsible for all taxes and fees
4 that would otherwise be applicable to the net amount of
5 electricity used by the customer. Paragraphs (1) and (2)
6 of this subsection (n) shall not be construed to prevent
7 an arms-length agreement between an electricity provider
8 and an eligible customer that sets forth different prices,
9 terms, and conditions for the provision of net metering
10 service, including, but not limited to, the provision of
11 the appropriate metering equipment for non-residential
12 customers. Nothing in this paragraph (3) shall be
13 interpreted to mandate that a utility that is only
14 required to provide delivery services to a given customer
15 must also sell electricity to such customer.

16 (o) Within 90 days after the effective date of this
17 amendatory Act of the 102nd General Assembly, each electric
18 utility subject to this Section shall file a tariff, which
19 shall, consistent with the provisions of this Section, propose
20 the terms and conditions under which a customer may
21 participate in net metering. The tariff for electric utilities
22 serving more than 200,000 customers as of January 1, 2021
23 shall also provide a streamlined and transparent bill
24 crediting system for net metering to be managed by the
25 electric utilities. The terms and conditions shall include,
26 but are not limited to, that an electric utility shall manage

1 and maintain billing of net metering credits and charges
2 regardless of if the eligible customer takes net metering
3 under an electric utility or alternative retail electric
4 supplier. The electric utility serving more than 200,000
5 customers as of January 1, 2021 shall process and approve all
6 net metering applications, even if an eligible customer is
7 served by an alternative retail electric supplier; and the
8 utility shall forward application approval to the appropriate
9 alternative retail electric supplier. Eligibility for net
10 metering shall remain with the owner of the utility billing
11 address such that, if an eligible renewable electrical
12 generating facility changes ownership, the net metering
13 eligibility transfers to the new owner. The electric utility
14 serving more than 200,000 customers as of January 1, 2021
15 shall manage net metering billing for eligible customers to
16 ensure full crediting occurs on electricity bills, including,
17 but not limited to, ensuring net metering crediting begins
18 upon commercial operation date, net metering billing transfers
19 immediately if an eligible customer switches from an electric
20 utility to alternative retail electric supplier or vice versa,
21 and net metering billing transfers between ownership of a
22 valid billing address. All transfers referenced in the
23 preceding sentence shall include transfer of all banked
24 credits. All electric utilities serving 200,000 or fewer
25 customers as of January 1, 2021 shall manage net metering
26 billing for eligible customers receiving power and energy

1 service from the electric utility to ensure full crediting
2 occurs on electricity bills, ensuring net metering crediting
3 begins upon commercial operation date, net metering billing
4 transfers immediately if an eligible customer switches from an
5 electric utility to alternative retail electric supplier or
6 vice versa, and net metering billing transfers between
7 ownership of a valid billing address. Alternative retail
8 electric suppliers providing power and energy service to
9 eligible customers located within the service territory of an
10 electric utility serving 200,000 or fewer customers as of
11 January 1, 2021 shall manage net metering billing for eligible
12 customers to ensure full crediting occurs on electricity
13 bills, including, but not limited to, ensuring net metering
14 crediting begins upon commercial operation date, net metering
15 billing transfers immediately if an eligible customer switches
16 from an electric utility to alternative retail electric
17 supplier or vice versa, and net metering billing transfers
18 between ownership of a valid billing address.

19 (Source: P.A. 102-662, eff. 9-15-21.); and

20 on page 84, by replacing line 17 with the following:

21 "by changing Sections 3.131 and 9.15 as follows:

22 (415 ILCS 5/3.131)

23 Sec. 3.131. Clean energy. "Clean energy" means energy
24 generation that is substantially free (90% or greater) of

1 carbon dioxide emissions or is generated by a renewable energy
2 resource as defined in Section 1-10 of the Illinois Power
3 Agency Act.

4 (Source: P.A. 102-662, eff. 9-15-21.)"; and

5 on page 88, by replacing lines 16 through 22 with the
6 following:

7 "Large greenhouse gas-emitting unit" or "large
8 GHG-emitting unit" means a unit that is an electric generating
9 unit or other fossil fuel-fired unit that itself has a
10 nameplate capacity or serves a generator that has a nameplate
11 capacity greater than 25 MWe and that produces electricity for
12 sale, including, but not limited to, coal-fired, coal-derived,
13 oil-fired, and natural gas-fired, ~~and cogeneration units,~~
14 except cogeneration systems that are designed and operated to
15 primarily serve on-site requirements.".